



Educate • Inspire • Transform

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education
Chicago, Illinois

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

For the year ended June 30, 2011

*Prepared by the
Office of School Financial Services*

Rahm Emanuel, Mayor, City of Chicago
David J. Vitale, Board President
Jean-Claude Brizard, Chief Executive Officer



Board of Education
CITY OF CHICAGO

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ANDREA L. ZOPP

December 14, 2011

Dear Stakeholders,

Chicago Public Schools (CPS) is committed to providing all students with access to world-class schools so that they can graduate college and career ready. To ensure that we are prepared to take the necessary steps to meet student needs, we are conducting an in-depth assessment of our fiscal health and how it aligns to our organizational and student performance strategy. To date, we have restructured the organization and refocused how the District supports classroom performance. These changes would not be possible without the significant sacrifices made by both our school and administrative staffs. During this process, we have received considerable input and support from parents, teachers, principals and community members.

While student achievement has seen some gains over the last several years, too many students are either not graduating from high school or not graduating ready for college and a career. Our graduation rate is 56 percent. A significant number of our students are in underperforming schools, and our achievement gaps continue to widen. We are addressing these issues on several levels: instituting a longer school day, allowing more focus on core instructional areas, implementing Common Core State Standards to set clear expectations on student performance, and continuing community and student support. Our goal is to boost student achievement and help our children get back on track so they can be competitive with their peers across the country. Even in this time of extended budgetary crisis, children come first.

CPS has worked hard to stabilize our financial position in the face of a large deficit by reigning in costs, trimming unnecessary spending and making the right investments. In FY2011, the district implemented several measures to restore the fund balance with the result being a general operating fund balance of \$740 million or an increase of \$316 million over the prior year. The measures taken include close monitoring of expenditures and maximization of grants, restructuring of debt, a one-time allocation of Tax Increment Financing (TIF) surplus funds from the City of Chicago, receipt of one-time pay-out of Personal Property Replacement Tax (PPRT) from the statewide amnesty program and reduced State payment delays.

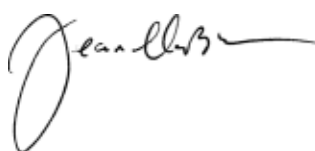
As we look forward to the FY2013 budget cycle, we have identified numerous initiatives, such as the longer school day, common core state standards implementation and a comprehensive teacher evaluation process, which will require significant funds. In addition, we continue to invest in charter schools and turn-around actions to support our continued drive for improved school performance. These incremental appropriations will require tough decisions to find savings to offset the additional costs.

Our mission is clear. We must ensure that every child has access to a world-class education and graduates college and career ready. We have set high goals and expectations for ourselves and our students over the next few years, and, to reach our goals, we must all work together to support and encourage our students. Financially investing in our students' academic success remains a top priority. We must maintain vigilance in managing our resources. Remaining lean and efficient will help us quickly respond to the needs of our students and school leaders. Together with families and our community and neighborhood partners, we can provide students with the academic and social support they need to succeed in school and life.

Respectfully submitted,



David J. Vitale
President
Chicago Board of Education



Jean-Claude Brizard
Chief Executive Officer
Chicago Public Schools



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CHICAGO PUBLIC SCHOOLS
Chicago Board of Education
2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT

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CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

PRINCIPAL OFFICIALS

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Rahm Emanuel

Chicago Board of Education
David J. Vitale, President
Jesse H. Ruiz, Vice President

Members

Henry S. Bienen
Dr. Mahalia A. Hines
Penny Pritzker
Rodrigo A. Sierra
Andrea L. Zopp

Statutory Officers

Jean-Claude Brizard, Chief Executive Officer
Dr. Noemi Donoso, Chief Education Officer
Timothy Cawley, Chief Administrative Officer
Patricia J. Taylor, Chief Operating Officer
David G. Watkins, Chief Financial Officer
Opal L. Walls, Chief Purchasing Officer
Patrick J. Rocks, General Counsel



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Chicago Public Schools
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danison

President

Jeffrey R. Emer

Executive Director





This Certificate of Excellence in Financial Reporting is presented to

CHICAGO PUBLIC SCHOOLS

**For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2010**

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

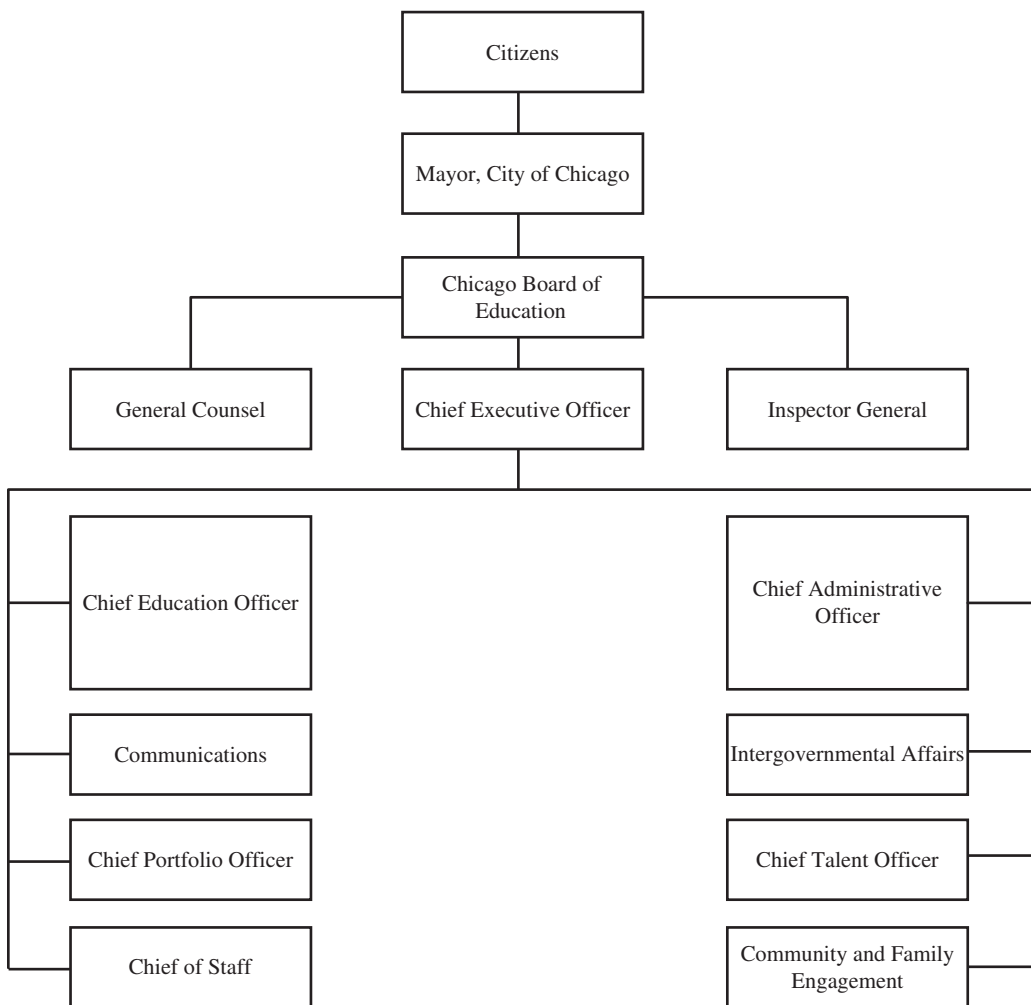
Executive Director



Introductory Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education
Organizational Chart

The Chicago Public Schools is the third largest school district in the nation. It serves approximately 403,000 students in 683 attendance centers with a staff of 41,000.



CHICAGO PUBLIC SCHOOLS**Chicago Board of Education****Board Member Profiles****David J. Vitale**

David Vitale was appointed the president of the Chicago Board of Education on June 15, 2011. Previously, Mr. Vitale served as the chief administrative officer for the Chicago Public School system from 2003 through 2008. Mr. Vitale is the chairman of Urban Partnership Bank, a newly formed bank serving the financially underserved neighborhoods of Chicago, Cleveland and Detroit. From February of 2001 through November of 2002, Mr. Vitale served as president and chief executive officer of the Chicago Board of Trade (CBOT). In addition to serving as a member of the CBOT's Board of Directors and Executive Committee, Mr. Vitale also served as President and CEO of the MidAmerica Commodity Exchange, an affiliate of the CBOT. Mr. Vitale is a former vice chairman and director of Bank One Corporation, where he was responsible for Bank One's Commercial Banking, Real Estate, Private Banking, Investment Management and Corporate Investments businesses. Mr. Vitale serves on the Board of Directors of United Airlines, ISO New England (chairman), Wheels Inc., DNP Select Income Fund (chairman), Alion Science and Technology and Ariel Investments. He also serves on several civic and charitable boards including: The Visiting Committee of the Harvard Graduate School of Education; the Board of Trustees of the Museum of Science and Industry; The Art Institute of Chicago (vice chairman); the Board of Managers of the YMCA of Metropolitan Chicago (former chair); Member of the Advisory Council of the Graduate School of Business at the University of Chicago; the Advisory Committee of the Kellogg School of Management; Northwestern University; Illinois Institute of Technology (vice chairman); the Visiting Committee of The School for Social Service Administration at the University of Chicago (chairman); Leadership Greater Chicago (former president); The Partnership for New Communities (vice chairman); and The Chicago Council on Foreign Relations. Mr. Vitale received his MBA from the University of Chicago and is a graduate of Harvard University.

Jesse H. Ruiz

Jesse H. Ruiz was appointed vice president of the Chicago Board of Education on June 15, 2011. Mr. Ruiz previously served as Chairman of the Illinois State Board of Education. He is a corporate and securities partner at the law firm of Drinker Biddle & Reath LLP and concentrates his practice on mergers and acquisitions, corporate finance and commercial transactions. Mr. Ruiz was recently appointed to the U.S. Department of Education Equity and Excellence Commission. In August 2010, Mr. Ruiz was appointed to the American Bar Association (ABA) Presidential Advisory Commission on Hispanic Legal Rights and Responsibilities by the President of the ABA. He also serves on the Board of Directors of Commonwealth Edison Company, an Exelon company, and on several other civic and charitable boards and committees. Previously, Mr. Ruiz was a management consultant with the international consulting firm of Booz Allen & Hamilton (n/k/a Booz & Co.). Mr. Ruiz received his JD from The University of Chicago Law School and his Bachelor's Degree in Economics and Business Administration from the University of Illinois at Urbana-Champaign.

Henry S. Bienen

Henry S. Bienen served as the 15th president of Northwestern University and currently serves as president emeritus of Northwestern University. He was the James S. McDonnell Distinguished University Professor and Dean of the Woodrow Wilson School of Public and International Affairs at Princeton University prior to his appointment at Northwestern. Mr. Bienen is one of the first three university presidents awarded the Carnegie Corporation Academic Leadership Award for innovative leadership in higher education. He is a member of the American Academy of Arts and Sciences, the



Introductory Section

Board of Directors of the Council on Foreign Relations, serving on the executive committee and chairing the nominating and governance committee, the Board of Directors of the Chicago Council on Global Affairs serving on its executive committee and the Board of Directors of Rasmussen College serving as vice chair. He was formerly a member of the Argonne National Laboratory's Board of Governors, and served on the board's executive, nominating and auditing committees. Mr. Bienen received PhD and master's degrees from the University of Chicago and a bachelor's degree from Cornell University. Mr. Bienen was awarded an honorary Doctorate of Humane Letters from Northwestern University, received the University of Chicago Professional Achievement Alumni Award and the 2008 Niagara Peace & Dialogue Award from the Niagara Foundation in 2008.

Dr. Mahalia A. Hines

Dr. Mahalia Hines is currently the chief executive officer of Think COMMON Entertainment, President of the Common Ground Foundation and Hip Hop Schoolhouse Publishing Company. Dr. Hines has worked in the educational field for more than 35 years as a teacher and principal. For 15 of those years, Dr. Hines served as Principal in the Chicagoland area for grade levels from elementary through high school. Dr. Hines also worked as a coach for first-year principals and a mentor for current principals and prospective principals in Chicago and continues to work with school leaders of public and charter schools in urban areas throughout the country. In addition to working with schools and school leaders, Dr. Hines travels the country speaking to single mothers on raising successful sons. Dr. Hines received her doctorate from the University of Illinois, her master's degree from Northeastern University and bachelor's degree from Central State University.

Penny Pritzker

Penny Pritzker is chairman of the Advisory Board for Skills for America's Future, a national initiative that brings together businesses and community colleges to prepare workers for 21st century jobs. She's past chair of the Chicago Public Education Fund, the first venture philanthropy to raise private equity to invest in public schools. Through The Pritzker Traubert Family Foundation, Ms. Pritzker helps fund innovative initiatives to improve public education and strengthen school leadership. She also serves on the Civic Committee of the Commercial Club of Chicago. Ms. Pritzker is an entrepreneur, civic leader and philanthropist. She serves as chairman of the Board of TransUnion, Chairman/CEO of Pritzker Realty Group, chairman and co-founder of Vi (formerly Classic Residence by Hyatt), The Parking Spot and Artemis Real Estate Partners. She also serves on the Board of Hyatt Hotels. President Obama recently appointed Ms. Pritzker to the President's Council for Jobs and Competitiveness. She has served on the President's Economic Recovery Advisory Board which evaluated economic policy. She was national finance chair of the Barack Obama for President campaign and co-chair of the 2009 Presidential Inaugural Committee. She serves as a board member of the Council on Foreign Relations, a trustee of Stanford University, a Trustee of the John F. Kennedy Center for the Performing Arts, a board member of The Economic Club of Chicago, an advisory board member of Brookings Institution's Hamilton Project, a former Chairman of the Board of the Museum of Contemporary Art in Chicago and a former member of the Harvard University Board of Overseers. Ms. Pritzker earned her bachelor's degree in Economics from Harvard University and JD and MBA Degrees from Stanford University.

Rodrigo A. Sierra

Rodrigo A. Sierra is the founder and principal of Sierra Strategies, a strategic leadership and positioning consultancy. Previously, Mr. Sierra was the chief marketing officer of Johnson Publishing Company and spent eight years with Integrys Energy Group and its predecessor, Peoples Gas, where he served in a variety of roles including Vice President of Corporate Communications and Public Affairs. From 2000 to 2002, Mr. Sierra served in the cabinet of Chicago Mayor Richard M. Daley as deputy mayoral press secretary and was an integral member of the team that helped to win relocation



Introductory Section

of the Boeing Corporation's global headquarters to Chicago. Mr. Sierra is a founder and steering committee member of Nuestro Futuro, a partnership with the Chicago Community Trust that encourages Latino philanthropy and increased grants to organizations that serve Latinos. He serves on the board of the Puerto Rican Arts Alliance and on the executive committee of the board of the Goodman Theater as well as co-chair of its education committee. He is a member of the Arthur Page Society, the Institute for Politics at Roosevelt University, the Economic Club of Chicago, The Executives' Club of Chicago, the Publicity Club of Chicago and the City Club of Chicago. Mr. Sierra earned his MBA from the Kellogg School of Management through the Executive Master of Business Administration program in June 2008. He holds a Bachelor's Degree in Philosophy from Northwestern University.

Andrea L. Zopp

Andrea Zopp is president and CEO of the Chicago Urban League, an organization that supports and advocates for economic, educational and social progress for African Americans and other minorities through an agenda focused on economic empowerment. Before her appointment to the Chicago Urban League, Ms. Zopp was executive vice president and general counsel at the Exelon Corporation. Prior to joining Exelon, Ms. Zopp served in similar roles at Sears Holdings Corporation and Sara Lee Corporation, and before then as a partner in the law firm of Sonnenschein Nath & Rosenthal. Ms. Zopp was also the first woman and African American to serve as First Assistant State's Attorney in the Cook County State's Attorney's office where she was responsible for the day-to-day operations of the nation's second largest prosecutor's office. Ms. Zopp has served as a member and President for many civic organizations and in 2004, she became chair of the Blue Ribbon Commission on Magnet and Selective Enrollment School Admissions for the Chicago Public Schools. Ms. Zopp received her JD and Bachelor's Degree in history and science from Harvard University.

The members of the Board have been appointed to serve terms ending as follows:

<u>Member</u>	<u>Term Expires</u>
David J. Vitale, President	July 1, 2014
Jesse H. Ruiz, Vice President	July 1, 2014
Henry S. Bienen	June 30, 2015
Dr. Mahalia A. Hines	July 1, 2014
Penny Pritzker	June 30, 2015
Rodrigo A. Sierra	June 30, 2015
Andrea L. Zopp	June 30, 2015

At the expiration of the term of each member, the Mayor shall appoint a successor for a four-year term from July 1 of the year in which the term commences. Any vacancy shall be filled by appointment of the Mayor for the unexpired term.

The Board elects annually from its members a president and vice-president in such manner as the Board determines.



*Introductory Section***CHICAGO PUBLIC SCHOOLS****Chicago Board of Education****Central Administration Profiles**

Jean-Claude Brizard is chief executive officer. His distinguished career has spanned 25 years in education and public service. In 2008, Mr. Brizard was appointed superintendent of schools for the Rochester City School District. Prior to his time in Rochester, Mr. Brizard worked for 21 years as a teacher, principal and administrator in the New York City school system. As a New York regional superintendent, Mr. Brizard supervised more than one hundred K-12 schools serving over 100,000 students. Mr. Brizard holds a Master's Degree in School Administration and Supervision from The City College of New York, a Master's Degree in Science Education from Queens College and a Bachelor's Degree in Chemistry from Queens College. He is also a graduate of the Superintendents' Academy of the Broad Center for the Management of School Systems, and an Executive Committee member of the American Association of School Administrators (AASA) and the Aspen Institute.

Dr. Noemi Donoso is chief education officer. Previously, Dr. Donoso served as director of Denver Public Schools' Office of School Reform and Innovation. Previously, Dr. Donoso was chief academic officer for the high-performing Camino Nuevo Charter Academy network. Dr. Donoso also served as the turn-around principal of two K-8 charter schools in MacArthur Park, Los Angeles and East Harlem, New York. Prior to becoming a principal, Dr. Donoso taught high school English and advanced placement history for eight years at Foshay Learning South Los Angeles. Dr. Donoso holds a Ph.D. in Education Policy and Planning from the University of Southern California, a master's degree from Rutgers University and a bachelor's degree from Mount St. Mary's College.

Timothy Cawley is chief administrative officer. Mr. Cawley recently served as managing director for Finance and Administration at the Academy for Urban School Leadership (AUSL), which manages 19 schools within the School District. Mr. Cawley joined AUSL after a 30-year business career, holding senior management positions at Fortune 500 companies. Mr. Cawley has served as senior vice president of Global Logistics and Fulfillment for Motorola's Integrated Supply Chain, president of SBC/Ameritech International and chief executive officer for Revell Monogram.

Patricia J. Taylor is chief operating officer. Ms. Taylor has more than 20 years of experience in city government. Prior to joining Chicago Public Schools, Ms. Taylor was the vice president of facility maintenance, construction and engineering for the Chicago Transit Authority. In this role, she oversaw maintenance of more than 150 facilities and numerous capital improvement projects including the renovation of the Brown Line elevated train system. Prior to that, Ms. Taylor served in government in an executive management capacity for the City of Chicago. Her positions included serving as the director of administration (Law Department), director of operations (Law-Investigations) and assistant budget director (Office of Budget and Management). Prior to that, she was an executive in the private sector for a large manufacturing corporation. Ms. Taylor holds an associate's degree in liberal arts and attended Northeastern University majoring in elementary education and business administration.

David G. Watkins is chief financial officer, appointed on November 7, 2011. Mr. Watkins' private sector career spans 35 years. He most recently served as Chief Financial Officer for H.D. Smith, a pharmaceutical distribution firm with revenue exceeding \$3.5 billion. Prior to that, Mr. Watkins served in several capacities at Maritz Inc., a \$1.4 billion performance improvement firm, up to and including his tenure as chief operating officer of European Operations where he was based in London. Mr. Watkins was employed at KPMG for twenty years, including the last decade as an assurance partner. Mr. Watkins earned his Bachelor's of Science and Accounting degree at the University of Illinois at Urbana/Champaign.

Opal L. Walls is chief purchasing officer. Ms. Walls previously served as the Board's deputy purchasing officer and director of finance and administration for the Department of Procurement and



Introductory Section

Contracts. Ms. Walls also served in the capacity of project manager for the Controller's Office. Prior to joining the Board, Ms. Walls worked for Allstate Insurance Company in Northbrook, Illinois and served in the capacity of benefits consultant, pension analyst and senior portfolio manager. Ms. Walls holds a Bachelor of Science degree in Business Administration from Elmhurst College of Illinois.

Patrick J. Rocks is general counsel. Prior to his current appointment, Mr. Rocks served in various offices in the Office of the Corporation Counsel of the City of Chicago from 1987 to 2005. From November 2002 to February 2005, he served as first assistant corporation counsel. From May 1998 to November 2002, he served as deputy corporation counsel for the Employment Litigation Division. From December 1993 to May 1998, he served as Chief Assistant Corporation Counsel in the Labor Division. From July 1987 to December 1993, he served as an Assistant Corporation Counsel in the General Litigation and Labor Divisions. Prior to his service with the City of Chicago, Mr. Rocks served as a judicial clerk and was engaged in private practice. Mr. Rocks received his law degree from the John Marshall Law School in 1985 and his bachelor's degree from Loyola University of Chicago in 1980.



Introductory Section**Office of Finance**

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December 14, 2011

David Vitale, President,
 Members of the Chicago Board of Education,
 And Residents of the City of Chicago:

The Comprehensive Annual Financial Report (CAFR) of Chicago Public Schools (CPS) for the fiscal year ended June 30, 2011, is hereby submitted. It has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to fairly present the financial position as well as the financial condition of CPS.

Illinois School Code (105 ILCS 5/34-9) requires CPS to submit an annual report of the financial records and transactions audited by independent certified public accountants. This document is submitted in fulfillment of this requirement. An audit was also conducted to meet the requirements of the Federal Single Audit Act Amendment of 1996 and related Office of Management and Budget Circular A-133, Audits of State and Local Governments.

The role of the auditors is to audit the basic financial statements to determine if they are free of material misstatements and to assess the accounting principles used. Based on their findings, they express an opinion on the fairness of the statements and disclose any material weaknesses noted during their audit. Responsibility for the accuracy of the data presented as well as completeness and fairness of presentation of this report rests with CPS management.

The Comprehensive Annual Financial Report is presented in four sections: 1) Introductory, 2) Financial, 3) Statistical, and 4) Statutory Reporting, which contains state and federal compliance reporting information. The Introductory section includes this transmittal letter, a list of principal officials, and an organizational chart. The Financial section includes the basic financial statements as well as the unqualified opinion of independent public accountants on the basic financial statements. The Statistical section contains selected financial and demographic information, generally presented over a multi-year basis. Finally, the Statutory Reporting section includes the results of the Federal Single Audit.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

PROFILE OF CHICAGO PUBLIC SCHOOLS

Chicago Public Schools is a body politic and corporate, and a school district of the State of Illinois having boundaries coterminous with the City of Chicago. The Chicago Board of Education is established under and governed by the Illinois School Code. The Chicago Board of Education is not a home-rule unit of government and operates a system of schools primarily for grades pre-kindergarten through twelve. CPS has no component units, which are legally separate organizations for which CPS is financially accountable.



Introductory Section

CPS is governed by a seven-member Board of Education appointed by the Mayor of the City of Chicago. Board members elect one member to serve as President of the Board. In addition, pursuant to amendments to the School Code initially enacted in 1988, elected local school councils, composed of parents, teachers, principals and community representatives, exercise certain powers relating to the operation of individual schools, most notably the selection of principals.

As a large urban school district, our schools and students reflect the broad diversity of our city. In fiscal year 2011 (FY2011), CPS operated 617 schools, some with multiple sites. CPS has neighborhood schools, alternative schools, citywide schools, military schools, performance schools, selective enrollment schools, small schools, special education schools, vocational schools, charter schools and contract schools.

Student enrollment in September 2010 was 403,000, a decrease of 6,000 or 1.5% from the September 2009 level. Approximately 86% of our students come from low-income families and 16% speak English as a second language. CPS employs approximately 41,000 workers, including approximately 22,000 teaching positions with an annual operating budget of \$5.282 billion in FY2011.

LOCAL ECONOMIC OUTLOOK

Chicago attracts an extremely diverse group of businesses. The Chicago metropolitan area is home to more than 400 major corporate headquarters, 27 Fortune 500 headquarters, and 34 S&P 500 companies. Chicago is a national center for manufacturing, transportation, and tourism. More than 39 million domestic and overseas visitors came to the city in 2010, including 28 million domestic leisure travelers and 10 million domestic business travelers, contributing nearly \$11 billion to Chicago's economy. Visitors generated \$616 million in tax revenue, and helped create 124,000 jobs. The area is home to several of the world's largest corporations, and top employers include city, state and county governments, universities, airports and banks. Nonetheless, the City is experiencing economic and financial challenges.

Employment levels play a significant role in the performance of real estate, business, recreation, tourism, and consumer consumption. The Illinois unemployment rate remained constant at 9.9% from August 2010 to August 2011 despite a 10-month run of decreased unemployment from July 2010 through April 2011. Illinois unemployment began to increase in May 2011 and continues to do so. As of August 2011, the City's unemployment rate was 10.2% and is not anticipated to return to the pre-recession level of 5.8% for the foreseeable future. In August 2011, the Chicago unemployment rate was higher than the national rate of 9.1%. In previous years, Chicago's diverse economy protected the city from the worst effects of the economic downturn.

LONG-TERM FINANCIAL PLANNING

CPS is expecting financial challenges to worsen as the local and national economy continues to suffer. Revenues over the next three years are projected to be flat, if not declining, particularly with the challenges facing both state and federal budgets. Expenditures for pension contributions will significantly increase in FY2014 as the state statute providing budget relief for three years expires, leaving CPS with an incremental increase of approximately \$338 million. Furthermore with the additional long-term debt that has been sold in the past two years, debt service will also increase in future years. Even under the most conservative circumstances, the anticipated end-of-year deficit will reach approximately \$750 million within 2 years. With these factors in mind, CPS has re-assessed our priorities and made some very tough choices to reduce spending, particularly in areas that do not impact students. Despite these decisions, expenditures exceed revenue by \$241 million for the FY2012 budget. CPS will need to continue to look for opportunities to become more efficient and to reduce expenses.

As we look forward to the FY2013 budget cycle, we have identified numerous initiatives, such as the longer school day, common core state standards implementation and a comprehensive teacher



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evaluation process, which will require significant funds. In addition, we continue to invest in charter schools and turn-around actions to support our continued drive for improved school performance. These incremental appropriations will require tough decisions to find savings to offset the additional costs.

Current Condition: CPS finished FY2011 with a strong operating fund balance of \$740 million or an increase of \$316 million over the prior year. FY2011 operating revenues were \$5.116 billion, which were 7.1% or \$340 million higher than the prior year, while operating expenditures were \$4.910 billion, which were 0.3% or \$14 million higher than the prior year.

One-Time Resources: The FY2011 financial result benefited from a variety of one-time revenues. First, to address an anticipated deficit and gain relief from existing debt payments, several bonds were restructured to reduce required payments for two years. We restructured \$252 million in debt, which extended maturities and provided \$110 million of cash during FY2011. Due to the restructuring, less operating revenues were needed for debt service, freeing up those revenues for operating purposes. Second, CPS received \$123 million of Tax Increment Financing (TIF) surplus funds declared by the City of Chicago in FY2011. Third, the special tax-amnesty program and unusually large fund transfers by the State of Illinois boosted Personal Property Replacement taxes by \$48 million for CPS. Fourth, the State's payment delay was slightly less than four months compared with the five month delay in the prior year, resulting in incremental revenue of \$60 million.

Finally, CPS had two one-time federal grants available in FY2011: the American Recovery and Reinvestment Act (ARRA) and the Education Jobs Fund. FY2011 was the second and last year for CPS to utilize the ARRA grants and CPS was able to fully expend the ARRA balance of approximately \$250 million on special education and other supplemental programs by the end of the fiscal year. The Education Jobs Program allocated \$104 million to CPS over two years. \$58 million out of \$104 million was spent to support teachers and aides in FY2011 and the remaining \$46 million will continue to support educational programs in FY2012. CPS will need to find additional resources in FY2013 to support these programs.

Pension Funding: Employees of CPS participate in either the Public School Teachers' Pension and Retirement Fund of Chicago (the "Pension Fund") or the Municipal Employees Annuity and Benefit Fund of Chicago (the "Annuity Fund"). As of June 30, 2010, the Pension Fund had approximately \$10.917 billion in actuarial assets and \$16.290 billion in actuarial liabilities, for a funded ratio of 67.0%. CPS has recorded an estimated pension liability of \$2.262 billion in the accompanying financial statements, as determined under Generally Accepted Accounting Principles (GAAP).

Under state law, CPS is the only school district in Illinois that is required to make an additional employer contribution to its teacher pension fund. In April 2010, the Governor signed into law a bill passed by the General Assembly that provided short-term pension funding relief for CPS. Under this legislation — Public Act 96-0889 — CPS will make pension contributions to the Pension Fund in the approximate amount of the "employer's normal cost" in FY2011 through FY2013. With the adoption of pension funding relief in 2010, CPS contributions for FY2011, FY2012 and FY2013 were set at \$187 million, \$192 million and \$196 million, respectively.

In three years, or by FY2014, the district's contribution level will return to an amount necessary to bring the Pension Fund's funded ratio to 90% by FY2059, most recently estimated at approximately \$534 million, or an increase of about \$338 million over the projected FY2013 level. Because the Pension Fund's funded ratio remains below 90%, CPS must continue to make additional annual contributions, prospectively increasing in dollar amounts until we reach the funding ratio of 90%.

As of December 31, 2010, the date of the latest available report, the Annuity Fund had actuarial assets of approximately \$6 billion and actuarial liability for all covered employees, including CPS employees,



Introductory Section

of approximately \$12 billion. CPS employs approximately 16,061 of the 30,642 active participants in the Annuity Fund. CPS, in the opinion of its legal counsel, has no duty to contribute to the Annuity Fund.

Debt Ratings: Investors who purchase municipal bonds use debt ratings as an indicator of the financial stability of an organization and consequently the safety and security of the debt sold by that organization. In general, higher credit ratings often result in lower borrowing costs via reduced interest rates paid on municipal bonds. A strong rating also promotes a wider market and more buyers of CPS' municipal bonds. There are three major rating agencies that assign ratings to municipal debt, including the debt issued by CPS. Two of these agencies affirmed CPS' rating while one agency down-graded CPS' debt rating from the previous year, citing mounting financial pressure including increased pension requirements in upcoming years. As of October 5, 2011, CPS' current ratings are AA-, Aa3 (previously Aa2), and A+ by Standard and Poor's, Moody's Investor's Service, and Fitch Ratings, respectively. These ratings are relatively strong, helping to attract investors looking to buy high-quality municipal bonds.

General Operating Fund Reserve: In August 2008, CPS adopted a new policy formally requiring the Board to maintain an unreserved, designated fund balance of a minimum of 5% and a maximum of 10% of the operating and debt service budget. For CPS, 5% represents just one month of our payroll expense. Delayed state aid payments in the past three fiscal years are further evidence that CPS must maintain reserves to offset fluctuations in cash flow. In the fall of FY2011, continued delays in state payments and late receipt of property taxes forced CPS to draw on a "line of credit". While the loan was repaid when property taxes began to flow into the district, CPS had to pay interest and fees. A healthy fund balance, also known as a reserve fund, could have helped steady cash flow and eliminate the need for short term borrowing. Going forward, CPS plans to maintain adequate fund balance in accordance with its policy by controlling expenditures, saving one-time revenues and encouraging the State to resume a regular payment schedule.

RELEVANT FINANCIAL POLICIES

Fund Accounting: CPS reports its financial activities through the use of fund accounting. This is a system wherein transactions are reported in self-balancing sets of accounts to reflect the results of activities. (See Notes 1 and 2 of the Notes to the Basic Financial Statements for a summary of significant accounting policies and a description of fund types and account groups).

Internal Control Structure: CPS financial management officials are responsible for implementing and enforcing a system of internal controls to protect the assets of CPS from loss, theft, or misuse and to ensure that reliable accounting data are available for the timely preparation of financial statements in accordance with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management. No material weaknesses were disclosed as a result of the independent audit of CPS financial statements.

Budgetary Control: Annual budgets are prepared on a basis consistent with Generally Accepted Accounting Principles for the General Operating, Capital Projects and Debt Service Funds. The fiscal year begins on July 1 and ends June 30 with all annual appropriations lapsing at fiscal year-end. Individual school units submit budget requests based on the school improvement plans and approved by the Local School Councils. Administrative units submit budget requests to the Office of Management and Budget, which analyzes all requests and prepares a comprehensive budget, balancing revenues and appropriations of each fund. The budget is submitted to the Board of Education for appropriation.



Introductory Section

The appropriated budget is prepared by fund, unit, and account. The legal level of budgetary control is the account level except for school-based discretionary programs. Board approval is required for all funding transfers except school-based discretionary program expenditures, which are governed by specific program policies and procedures. In addition, an amended budget is required for increases in total appropriation.

Budgetary control is maintained by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Capital Projects Funds are budgeted on a project-by-project basis and represent the entire project budget for projects expected to begin in that fiscal year. Board Resolution 11-0928-RS3 reflects the implementation of Public Act 97-0474 (Senate Bill 630) and requires CPS to undertake various measures including a Five-Year Capital Improvement Plan by May 2, 2012 and a Ten-Year Educational Facility Master Plan by July 1, 2013. Debt service funds are established in accordance with requirements of the bondholders.

MAJOR INITIATIVES

FY2011 was focused on guiding the district through unrelenting financial pressures while protecting classroom resources, along with promoting the safety and security of students and launching initiatives aimed at improving student outcomes.

Education Programs

CPS has set key priorities based on our vision to ensure that every child has access to a world-class education in every community so they can graduate from high school ready for college and a good career. The budget approved for FY2012 reduced Central Office administrative and non-classroom spending in order to keep cuts as far away from the classroom as possible, while continuing or expanding investments in core education priorities, such as early childhood education, World Language programs and school security initiatives, including Culture of Calm.

In addition, CPS announced a longer school day for 2012-2013 and rolled out the Longer School Day Pioneer Program in 13 schools. CPS created a Longer School Day Advisory Committee, reached out to national leaders in longer school day planning and study and have conducted focus groups with principals and teachers to ensure that longer school days are high quality school days with 90 minutes of additional classroom instruction.

Other key action in FY 2011 included the announcement of Common Core State Standards early adopters, the first round of Principal Performance Initiatives, the creation of a new office of Community Engagement and a reorganization and refocusing of the office of the Chief Education Officer.

Safety

Despite facing difficult economic times, CPS believes the investment in student violence prevention is crucial to creating a safe learning environment for our students. The Violence Prevention Initiative focuses on providing services to at-risk students through student mentorship and advocacy services, promoting a culture of calm within schools and creating safe passages to and from school in high-risk areas.

The district continues to enhance the initiative with complementary programs. In FY2011, CPS launched the Safe Haven-Safe Holiday program designed to provide CPS students with structured and productive activities during the school district's winter break. Programming includes workshops on conflict resolution, positive communication, character development and anger management and employ practical exercises, group discussions and arts and crafts. In FY2012, we are investing in an enhanced electronic security system that would place new high-definition cameras in much needed areas. CPS will continue to develop creative and strategic solutions needed to safeguard our students.



Capital Improvement Program

Since the start of the Capital Improvement Program (CIP) in 1996, nearly every elementary and high school has benefited from some kind of capital improvement. A total of \$7.006 billion has already been committed over 15 years to improving CPS schools. Local sources for new revenue are limited, motivating CPS to continue to lobby for additional resources at the state and federal levels.

Since 1996, CPS has completed 41 new schools; 18 replacement schools; 89 additions, annexes, links and modular units; 481 new roofs; 831 windows, doors and masonry repairs; 71 state of the art science labs; 296 Americans with Disabilities projects; 447 renovations and 380 gymnasiums and play lots. CPS, in conjunction with the City of Chicago, the Chicago Park District, and the Public Building Commission of Chicago has created 95 campus parks. The accomplishments thus far have significantly improved the quality of our students' learning environment.

CPS continues to make significant accomplishments toward its three primary goals: reducing overcrowding, achieving a minimum standard of physical condition, and improving achievement through educational enhancements. The American Recovery and Reinvestment Act (ARRA) created several new types of tax-exempt bonds and tax credit bonds under the Internal Revenue Code. The Build America and Qualified School Construction bonds take advantage of opportunities created by Federal stimulus to lower the cost of funding the CIP. In FY2011, CPS issued \$382 million in bonds to provide funds for the continued implementation of the Board's capital Improvement program: Series 2010C Taxable Qualified School Construction Bonds for \$257 million and Series 2010D Taxable Build America Bonds for \$125 million.

AWARDS AND ACKNOWLEDGEMENTS

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board of Education of the City of Chicago for its comprehensive annual financial report for the fiscal year ended June 30, 2010. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. CPS has received this award every year since 1996.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are again submitting it to GFOA.

CPS also received the Certificate of Excellence for Financial Reporting from the Association of School Business Officials International for the tenth consecutive year. We have included this award in recognition of the importance of fiscal policies on our ability to educate our students and undertake the new initiatives outlined above.

Acknowledgments: This report could not have been prepared without the dedicated and effective help of the entire staff of the Office of Finance, the Chief Executive Office and the Office of the Board. We wish to express our gratitude and appreciation to them for their dedicated efforts and professionalism.

Respectfully submitted,



David G. Watkins
Chief Financial Officer



Daryl J. Okrzesik
Controller





INDEPENDENT AUDITOR'S REPORT

To the Board of Education of the City of Chicago
Chicago Public Schools
Chicago, Illinois

We have audited the accompanying financial statements of the governmental activities and each major fund of the Chicago Public Schools (the Board of Education of the City of Chicago, the "CPS", a body politic and corporate of the State of Illinois), as of and for the year ended June 30, 2011, which collectively comprise the CPS' basic financial statements as listed in the table of contents. These financial statements are the responsibility of the CPS' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CPS' internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Chicago Public Schools as of June 30, 2011, and the respective changes in financial position and the respective budgetary comparison for the General Operating Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, as of July 1, 2010, the District adopted the reporting and disclosure requirements of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2011, on our consideration of the CPS' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 19 through 36 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the CPS. The individual fund financial statements and other schedules listed in the table of contents as individual schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 2011 information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2011 taken as a whole. We have also previously audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to the financial audits contained in *Governmental Accounting Standards*, issued by the Comptroller General of the United States, the District's basic financial statements for the year ended June 30, 2010, which are not presented with the accompanying financial statements. In our report dated December 10, 2010, we expressed unqualified opinions on the respective financial statements of the governmental activities and each major fund. In our opinion, the comparative schedules presenting 2010 information are fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2010, taken as a whole. The accompanying introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2011, taken as a whole.

McGladrey & Pullen, LLP

Chicago, Illinois
December 9, 2011





Educate • Inspire • Transform



CHICAGO PUBLIC SCHOOLS
Management's Discussion and Analysis (Unaudited)
June 30, 2011

Our discussion and analysis of the financial performance of Chicago Public Schools (CPS) provides an overview of financial activities for the fiscal year ended June 30, 2011. Because the intent of this management discussion and analysis is to look at financial performance as a whole, readers should also review the transmittal letter, financial statements, and notes to the basic financial statements to further enhance their understanding of CPS' financial performance.

FINANCIAL HIGHLIGHTS

In the statement of net assets, CPS' ended the fiscal year with a deficit of \$1.202 billion, an increase in the deficit of \$284 million or 30.9% from the prior year. The increase is mainly attributed to larger expenses in the categories of pension, other postemployment benefits and benefit day liabilities.

CPS ended fiscal year 2011 with a combined fund balance for its governmental funds of \$1.426 billion, an increase of \$239 million or 20.1%, from fiscal year 2010. Total operating revenues for fiscal year 2011 were \$5.116 billion, which were \$340 million or 7.1% higher than the prior year of \$4.776 billion. Total operating expenditures for fiscal year 2011 were \$4.910 billion, which were \$14 million or 0.3% higher than the prior year of \$4.896 billion.

With respect to the general operating fund, the fund balance increased by \$316 million, whereas the fund balance for the capital projects fund decreased by \$80 million and the fund balance for the debt service funds increased by \$3 million.

The \$316 million increase in fund balance in the general operating fund is primarily attributed to the following:

- CPS issued \$257 million in Unlimited Tax General Obligation Refunding bonds to restructure \$252 million in debt. The debt restructuring provided budget and cash flow relief by extending maturities and resulted in a transfer into the general operating fund of \$110 million.
- CPS received one time revenues from various sources such as \$123 million in surplus Tax Increment Financing (TIF) proceeds from the City of Chicago.
- The amount owed to CPS from the State decreased by \$60 million, from \$236 million in fiscal year 2010 to \$176 million in fiscal year 2011.

The general operating fund cash balance increased to \$1.079 billion in fiscal year 2011 from \$792 million in fiscal year 2010, an increase of \$287 million.

During fiscal year 2011 CPS issued \$382 million in Unlimited Tax General Obligation Bonds to fund the capital improvement program. Total expenditures in the capital projects fund were \$563 million in fiscal year 2011.

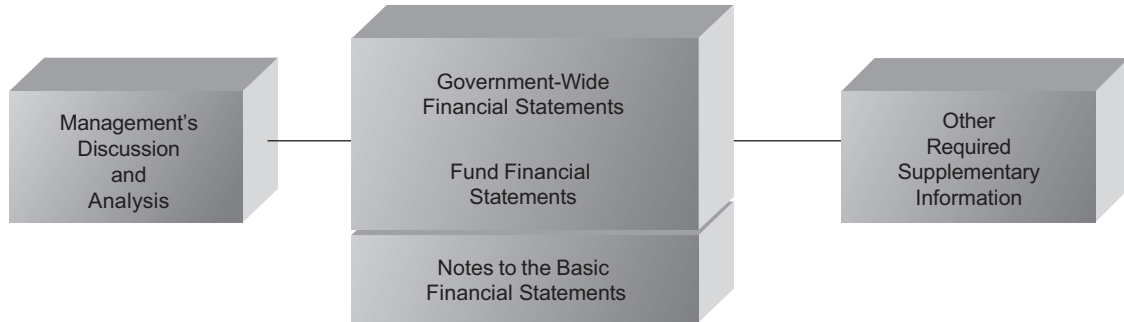
In October 2011, Moody's Investors Service downgraded its rating on CPS' outstanding general obligation bonds to Aa3 from Aa2.

During fiscal year 2011, CPS implemented GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. Accordingly, the FY2011 ending fund balance classified as follows: \$2 million represents nonspendable fund balance, \$672 million is restricted fund balance, \$747 million is assigned fund balance and \$5 million represents unassigned fund balance, totaling \$1.426 billion of fund balance for all funds.



OVERVIEW OF THE FINANCIAL STATEMENTS

This Comprehensive Annual Financial Report (CAFR) consists of Management's Discussion and Analysis and a series of financial statements and accompanying notes, both primarily focusing on the school district as a whole. The following graphic summarizes the components of the CAFR:



Government-wide financial statements including the Statement of Net Assets and the Statement of Activities provide both short-term and long-term information about CPS' financial status. The fund financial statements provide a greater level of detail of how services are financed in the short-term as well as the remaining available resources for future spending. The accompanying notes provide essential information that is not disclosed on the face of the financial statements, and as such, are an integral part of the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the school district's finances in a manner similar to a private sector business. The Statement of Net Assets and the Statement of Activities provide information about the activities of the school district as a whole, presenting both an aggregate and long-term view of the finances. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The **Statement of Net Assets** presents information on all of CPS' assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The **Statement of Activities** presents information showing the details of change in net assets during the fiscal year. All changes in the net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of CPS that are principally supported by taxes and inter-governmental revenues (governmental activities).

All of CPS' services are reported in the government-wide financial statements, including instruction, pupil support services, instructional support services, administrative support services, facility support services, and food services. Property taxes, replacement taxes, state aid, and interest and investment earnings finance most of these activities. Additionally, capital assets and debt-financing activities are reported here.



Condensed Statement of Net Assets
(Millions of dollars)

	Governmental Activities			
	2011	2010	Difference	% Change
Current assets	\$ 4,249	\$ 3,809	\$ 440	11.6%
Capital Assets, net	5,787	5,475	312	5.7%
Non-current assets	133	165	(32)	-19.4%
Total assets	<u>\$10,169</u>	<u>\$ 9,449</u>	<u>\$ 720</u>	7.6%
Current liabilities	\$ 1,267	\$ 1,179	\$ 88	7.5%
Long-term liabilities	10,104	9,188	916	10.0%
Total liabilities	<u>\$11,371</u>	<u>\$10,367</u>	<u>\$1,004</u>	9.7%
Net Assets:				
Invested in capital assets net of related debt	\$ 370	\$ 440	\$ (70)	-15.9%
Restricted for:				
Debt service	469	443	26	5.9%
Specific purposes	161	115	46	40.0%
Unrestricted	(2,202)	(1,916)	(286)	14.9%
Total net assets	<u>\$ (1,202)</u>	<u>\$ (918)</u>	<u>\$ (284)</u>	30.9%

Current assets of \$4.249 billion increased \$440 million or 11.6% primarily due to higher cash balances and larger receivable balances.

Capital assets, net of depreciation increased \$312 million or 5.7% due to the continued progress of the Capital Improvement Program.

Non-current assets of \$133 million decreased \$32 million or 19.4% due to the change in fair value of the swaps.

Current liabilities of \$1.267 billion increased \$88 million or 7.5% primarily due to increases in accounts payable and accrued payroll and benefits of \$117 million and \$29 million respectively. The increases are partially offset by a decrease in the current portion of long-term debt and capitalized lease obligations of \$55 million.

Long-term liabilities

Long-term debt increased \$390 million or 7.0%, due to the issuance of new debt to fund the capital improvement program. The total long-term portion of debt outstanding and capitalized leases was \$5.601 billion in fiscal year 2010 and \$5.991 billion in fiscal year 2011.

Accrued pension increased to \$2.262 billion in fiscal year 2011 from \$1.969 billion in fiscal year 2010, an increase of \$293 million or 14.9%. The year-end balance reflects the increase in the net pension obligation related to the Public School Teachers' Pension and Retirement Fund of Chicago.

Other postemployment benefits (OPEB) liability increased to \$1.130 billion in fiscal year 2011 from \$949 million in fiscal year 2010, an increase of \$181 million, or 19.1%. The year-end balance reflects the increase in net OPEB related to healthcare costs associated with the Public School Teachers' Pension and Retirement Fund of Chicago.

Other benefits and claims excluding the current portion increased to \$550 million in fiscal year 2011 from \$460 million in fiscal year 2010, an increase of \$90 million or 19.6%. The year-end balance reflects increases in accrued sick pay of \$123 million, offset by decreases in vacation pay, workers' compensation and general and auto liability of \$10 million, \$21 million and \$2 million, respectively.



Financial Section

Other long-term liabilities decreased to \$169 million in fiscal year 2011 from \$207 million in fiscal year 2010, a decrease of \$38 million. The year-end balance reflects decreases in the derivative instrument liability and swaption borrowing payable of \$36 million and \$2 million, respectively.

Net assets (deficit) increased \$284 million to a \$1.202 billion deficit. Of this amount, \$370 million represents CPS' investment in capital assets net of depreciation and related debt. Restricted net assets of \$630 million are reported separately to present legal constraints from debt covenants and enabling legislation. The \$2.202 billion of unrestricted deficit represents the shortfall CPS would experience if it had to liquidate all of its non-capital liabilities as of June 30, 2011.

Certain items of the 2010 net assets have been reclassified to conform to the 2011 presentation. These reclassifications had no impact on the change in net assets as previously reported.

The following table presents the changes in net assets from fiscal year 2010 to 2011:

Changes in Net Assets
(In Millions)

	<u>Governmental Activities</u>			
	<u>2011</u>	<u>2010</u>	<u>Difference</u>	<u>% Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ 7	\$ 11	\$ (4)	- 36.4%
Operating grants and contributions	1,368	1,377	(9)	- 0.7%
Capital grants and contributions	185	99	86	86.9%
Total program revenues	<u>\$ 1,560</u>	<u>\$1,487</u>	<u>\$ 73</u>	4.9%
General revenues:				
Property taxes	\$ 2,053	\$1,896	\$ 157	8.3%
Replacement taxes (PPRT)	198	152	46	30.3%
Non-program state aid	1,793	1,533	260	17.0%
Interest and investment earnings	17	13	4	30.8%
Other	139	173	(34)	- 19.7%
Total general revenues	<u>\$ 4,200</u>	<u>\$3,767</u>	<u>\$ 433</u>	11.5%
Total revenues	<u>\$ 5,760</u>	<u>\$5,254</u>	<u>\$ 506</u>	9.6%
Expenses:				
Instruction	\$ 3,713	\$3,507	\$ 206	5.9%
Support services:				
Pupil support services	545	438	107	24.4%
Administrative support services	187	202	(15)	- 7.4%
Facilities support services	499	481	18	3.7%
Instructional support services	542	524	18	3.4%
Food services	216	207	9	4.3%
Community services	47	51	(4)	- 7.8%
Interest expense	286	258	28	10.9%
Other	9	13	(4)	- 30.8%
Total expenses	<u>\$ 6,044</u>	<u>\$5,681</u>	<u>\$ 363</u>	6.4%
Change in net assets	\$ (284)	\$ (427)	\$ 143	- 33.5%
Beginning net assets (deficit)	(918)	(491)	(427)	87.0%
Ending net assets (deficit)	<u>\$(1,202)</u>	<u>\$ (918)</u>	<u>\$(284)</u>	30.9%



Net assets (deficit) at June 30, 2011 reflect an increase of \$284 million from the prior year or 30.9%. Total revenues increased 9.6% or \$506 million in FY2011. The increase in total revenues is primarily due to the following reasons: 1) State aid was higher than last year by \$260 million mainly due to the State not replacing education funds with ARRA funds in FY2011 as it did in FY2010. 2) Property taxes were higher by \$157 million due to an increase in the tax levy. 3) Capital grants and contributions increased by \$86 million due to higher revenues from the Modern Schools Across Chicago Program and the Capital Development Board (CDB) funds and 4) PPRT revenues increased by \$46 million because of three one-time events that occurred in FY2011. Please refer to the general operating fund revenue variance explanation for details. In general, the increase in expenses occurred primarily due to higher pension, other postemployment benefits and benefit day costs which are spread among the instruction and support service categories. The pupil support services increased by \$107 million, due to higher costs for security services provided by the Chicago Police Department to CPS high schools and consulting services directly related to the Culture of Calm program.

Capital Assets

At June 30, 2011, CPS had \$5.787 billion invested in a broad range of capital assets, including land, buildings and improvements, and equipment. This amount represents a net increase of \$312 million or 5.7% over the prior fiscal year.

<i>(In millions)</i>	<u>2011</u>	<u>2010</u>	<u>Difference</u>	<u>% Change</u>
Land	\$ 314	\$ 298	\$ 16	5.4%
Buildings	7,815	7,111	704	9.9%
Construction in progress	373	648	(275)	-42.4%
Equipment	162	157	5	3.2%
Internally developed software	5	3	2	66.7%
Total capital assets	\$ 8,669	\$ 8,217	\$ 452	5.5%
Less: accumulated depreciation	(2,882)	(2,742)	(140)	5.1%
Total capital assets, net	<u>\$ 5,787</u>	<u>\$ 5,475</u>	<u>\$ 312</u>	5.7%

Capital assets increased due to the continued progress of the Capital Improvement Program. For more detailed information, please refer to Note 6 to the basic financial statements.

Debt and Capitalized Lease Obligations

In October 2010, CPS issued three series of bonds, which are differentiated below by repayment source and use of proceeds. First, CPS issued \$257 million in Unlimited Tax General Obligation Qualified School Bonds (Series 2010C). The proceeds from these bonds are being used as part of CPS' Capital Improvement Program and to pay costs of issuance of the bonds. As a result of the issuance, CPS recorded net proceeds of \$255 million in the Capital Improvement Fund. Like most other CPS bonds, the 2010C debt service will be paid from General State Aid revenues.

Second, CPS issued \$125 million in Unlimited Tax General Obligation Taxable Build America Bonds (Series 2010D). The proceeds from these bonds will fund part of CPS' Capital Improvement Program and to pay costs of issuance of the bonds. As a result of the issuance, CPS recorded net proceeds of \$124 million in the Capital Improvement Fund. The debt service on this issuance will be paid from General State Aid revenues and Federal subsidy payments.

Finally, CPS issued \$257 million in Unlimited Tax General Obligation Refunding Bonds (Series 2010FG) at a premium of \$15 million. The proceeds from these bonds were used to refund the Series 1996, Series 1997, Series 2000A, Series 2000BCD, Series 2001A, Series 2001C, Series 2003A, Series 2004A, Series 2006B, Series 2007D, Series 2008B, Series 2009C, 2009D and Series 2009F



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bonds. As a result of the issuance, \$269 million was deposited in a trust for the refunding of the bonds. The debt service on this issuance will be paid from General State Aid revenues.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$18 million. This difference reported in the accompanying financial statements as a deduction from bonds payable is being charged to operations over the life of the refunding or refunded bonds, whichever is shorter. The refunding bonds were issued primarily to provide budget relief to CPS' General Operating Fund by deferring required principal payments. However, a portion of the refunding was for economic savings. Accordingly, the refunding resulted in an overall economic gain of \$1 million.

As of June 30, 2011, CPS had \$6.099 billion in total debt, including accreted interest and capitalized lease obligations outstanding versus \$5.764 billion last year, an increase of 5.8%. For more detailed information, please refer to Notes 8 through 10 to the basic financial statements.

Pension Funding

Employees of CPS participate in either the Public School Teachers' Pension and Retirement Fund of Chicago ("the Teachers' Pension Fund") or the Municipal Employees Annuity and Benefit Fund of Chicago ("the Municipal Fund"). All certified teachers and administrators employed by CPS or Charter Schools are members of the Teachers' Pension Fund. Educational support personnel who do not belong to the Teachers' Pension Fund participate in the Municipal Fund.

State statutes determine CPS' employer-required contribution to the Teachers' Pension Fund. As of June 30, 2011, the funded ratio of the Teachers' Pension Fund was 67.0%. CPS has recorded an estimated liability of \$2.262 billion in the accompanying financial statements, as determined under generally accepted accounting principles. Under Public Act 96-0889, CPS was required to make a \$187 million employer contribution to the Teachers' Pension Fund in FY2011.

As required under State statute, the City of Chicago is required to contribute all employer pension costs on behalf of CPS educational support personnel. The statutorily established rate for employer contribution to the Municipal Fund is 10.625% of actual salaries paid two years ago. Covered employees are required by State statute to contribute 8.5% of their salary. In fiscal year 2011, as in previous fiscal years, CPS paid a portion, 7.0%, or approximately \$39 million of the required employees' contribution for most employees. Governmental Accounting Standards Board Statement No. 24 requires that on-behalf payments made by other governments should be included as revenues and expenditures as long as they are for employee benefits. CPS has been reporting on-behalf pension costs and revenues since FY1998. For detailed information, please refer to Note 12 to the basic financial statements.

Short-term pension funding relief

In April 2010, the Governor signed into law a bill passed by the General Assembly that provides short-term pension funding relief for CPS. Under this legislation (Public Act 96-0889), CPS will make pension contributions to the Teachers' Pension Fund in the amount of the "employer's normal cost" in FY2011 through FY2013 instead of required pension contributions to bring the Teachers' Pension Fund's funded ratio to 90.0% by FY2045. This resulted in a significant reduction of required pension contributions. The required pension contribution for fiscal years 2012 and 2013 are \$192 million and \$196 million, respectively. Beginning in FY2014, CPS will be required to make contributions to the Teachers' Pension Fund to bring the funded ratio to 90.0% by FY2059; the required contribution for fiscal year 2014 is estimated at \$534 million or a \$338 million increase over the FY2013 payment.



Overview of Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. CPS, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All CPS funds are reported in the governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental-fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Such information may be useful in evaluating a government's near-term financing requirements.

These funds are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can be readily converted to cash. Governmental-fund financial statements provide a detailed short-term view of the school district's operations and the services it provides.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CPS' fund financial statements provide detailed information about the most significant funds – not CPS as a whole. CPS' governmental funds use the modified accrual basis of accounting. All of CPS' services are reported in governmental funds, showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of CPS' operations and the services it provides.

CPS maintains three governmental funds: General Operating, Capital Projects, and Debt Service. The following schedules present a summary of the general operating fund, capital projects fund and debt service fund revenues, and other financing sources by type and expenditures by program for the period ended June 30, 2011, as compared with June 30, 2010. They also depict the amount and percentage increases and decreases in relation to prior year revenues and other financing resources.



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**Governmental Funds
Total Revenues, Other Financing Sources and Expenditures
(Millions of Dollars)**

	<u>2011 Amount</u>	<u>2010 Amount</u>	<u>2011 Percent of Total</u>	<u>Increase (Decrease) from 2010</u>	<u>Percent Increase (Decrease) from 2010</u>
Revenues:					
Property taxes	\$1,937	\$2,047	32.0%	\$(110)	– 5.4%
Replacement taxes (PPRT)	198	153	3.3%	45	29.4%
State aid	1,950	1,552	32.3%	398	25.6%
Federal aid	1,145	1,180	18.9%	(35)	– 3.0%
Investment earnings	13	12	0.2%	1	8.3%
Other	417	360	6.9%	57	15.8%
Subtotal	<u>\$5,660</u>	<u>\$5,304</u>	93.6%	\$ 356	6.7%
Other financing sources	384	801	6.4%	(417)	– 52.1%
Total	<u>\$6,044</u>	<u>\$6,105</u>	100.0%	\$ (61)	– 1.0%
Expenditures:					
Current:					
Instruction	\$2,956	\$2,899	50.9%	\$ 57	2.0%
Pupil support services	509	416	8.8%	93	22.4%
General support services	1,023	1,011	17.6%	12	1.2%
Food services	201	197	3.5%	4	2.0%
Community services	46	50	0.8%	(4)	– 8.0%
Teachers' pension	149	294	2.6%	(145)	– 49.3%
Other	9	12	0.1%	(3)	– 25.0%
Capital outlay	580	706	10.0%	(126)	– 17.8%
Debt service	332	387	5.7%	(55)	– 14.2%
Total	<u>\$5,805</u>	<u>\$5,972</u>	100.0%	\$(167)	– 2.8%
Change in fund balance	<u>\$ 239</u>	<u>\$ 133</u>			

General Operating Fund

The general operating fund supports the day-to-day operation of educational and related activities. Reflecting the Board's efforts to control costs, the general operating fund ended FY2011 with revenues and other financing sources exceeding expenditures by \$316 million. As a result, the fund balance in the general operating fund that can be used for future operations increased from \$194 million at the end of FY2010 to \$476 million as of June 30, 2011. This was achieved by limiting operating spending, lowering debt costs by debt restructuring, and directing all one-time revenues to the fund balance. Although this balance suggests a large improvement over the previous fiscal year, in which expenditures exceeded revenues and transfers by \$102 million, the difference is largely the result of one-time revenue infusions which is not likely to reoccur.



Revenues:
Revenues and Other Financing Sources
(Millions of Dollars)

	2011 Amount	2010 Amount	2011 Percent of Total	Increase (Decrease) from 2010	Percent Increase (Decrease) from 2010
Property taxes	\$1,904	\$2,036	36.4%	\$(132)	— 6.5%
Replacement taxes (PPRT)	172	97	3.3%	75	77.3%
State aid	1,695	1,368	32.4%	327	23.9%
Federal aid	1,122	1,160	21.5%	(38)	— 3.3%
Investment earnings	2	3	0.1%	(1)	— 33.3%
Other Local	221	112	4.2%	109	97.3%
Subtotal	<u>\$5,116</u>	<u>\$4,776</u>	<u>97.9%</u>	<u>\$ 340</u>	<u>7.1%</u>
Other financing sources	110	18	2.1%	92	511.1%
Total	<u>\$5,226</u>	<u>\$4,794</u>	<u>100.0%</u>	<u>\$ 432</u>	<u>9.0%</u>

Property tax revenues decreased by \$132 million from the prior-year level as a result of no increase in property tax extensions in 2010 combined with one-time property tax revenues in FY2010 that were not present in FY2011. P.A.96-0490 changed the amount of the first installment tax bills from 50.0% to 55.0% of prior-year total taxes, effective in 2010, and it generated a one-time acceleration of revenues by \$96 million in FY2010, something that did not occur in FY2011. In addition, property tax revenue declined by \$36 million due to a lower levy amount extended in the current year compared to the prior year levy.

Personal property replacement taxes (PPRT) derives its revenues primarily from an additional State income tax on corporations and partnerships. There were three one-time events in FY2011 that increased PPRT revenues by \$75 million over FY2010 level. First, the State offered a tax-amnesty program in fall 2010, resulting in \$146 million of statewide collection from PPRT, of which CPS received \$20 million. Second, the state distributed \$197 million of refund funds that it had not used to pay for corporate refunds in the previous year, generating \$27 million of one-time revenues to CPS. Third, CPS restructured some of bonds, which reduced PPRT payments to the debt service funds by \$28 million from the budgeted level in FY2011.

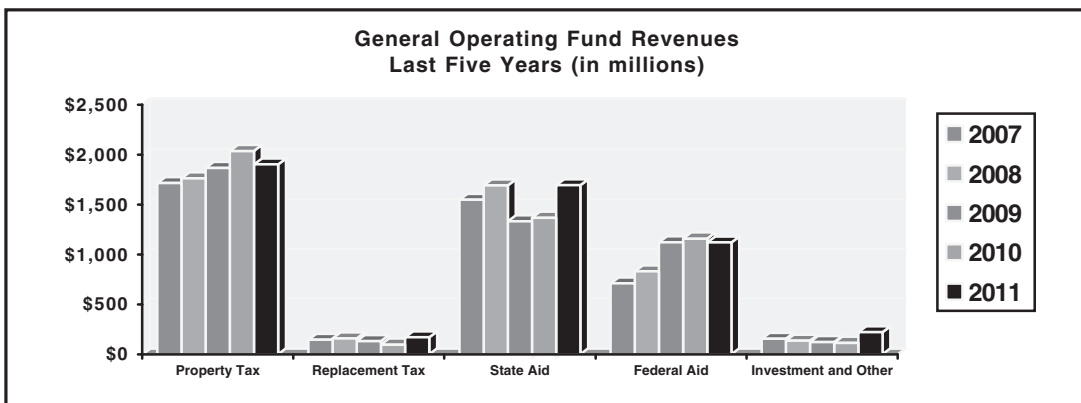
State revenues — Several factors contributed to the increase in total state revenues in FY2011 over FY2010; however, instead of representing real growth in state revenues for CPS, most of the apparent growth was merely the result of fund substitution by the State. The increase of \$327 million in state revenues is the direct result of the ISBE swapping state education funding with State Fiscal Stabilization Funds (SFSF) from the American Recovery and Reinvestment Act (ARRA) in FY2010. CPS received \$279 million of SFSF funds instead of state revenues of \$167 million of General State Aid and \$112 million from the Early Childhood block grant in FY2010. For FY2011, the ISBE used state funds to pay for these two programs. In addition, the State's payment delay improved significantly from \$236 million at the end of FY2010 to \$176 million at the end of FY2011. Offsetting these increases are reductions of \$12 million in the other small grants.

Federal revenues decreased by \$38 million in FY2011 due to several factors. In FY2010 CPS received \$279 million in SFSF funds from the federal government. These funds were not available in FY2011. Additionally, a few other grants saw a decrease in revenues. Title I receipt was delayed, reducing the revenue by \$37 million from the FY2010 level; revenues from the IDEA declined by \$7 million; and revenues from the School Improvement Grant declined by \$2 million. On the other hand, there were increases in ARRA grant revenues of \$144 million; Headstart of \$42 million; Medicaid reimbursement of \$37 million; Title IIA Improving Teacher Quality of \$15 million; and Gear up of \$1 million. Additionally, the Ed Jobs grant, another stimulus grant, was allocated to CPS in FY2011, generating \$48 million of revenues.



Investment earnings — Due to the concern over the recession, the Federal Reserve Bank has kept the interest rate close to zero, which has reduced investment earnings significantly for the past four years. The lower interest income in FY2011 reflected this zero interest rate policy and the sale of agency notes with higher interest rates.

Other local revenues comprise miscellaneous or one-time receipts such as rental income, daycare fees, private foundation grants, school internal account funds, and flow-through employer contributions to the Municipal Employees' Annuity and Benefit Fund of Chicago. Other local revenues increased by \$109 million primarily because CPS received \$123 million of one-time Tax Increment Financing (TIF) surplus funds declared by the City of Chicago in FY2011. This amount represents an increase of \$110 million over the \$13 million receipt in FY2010. Other local revenues in total declined by \$1 million in FY2011 compared to FY2010.



Expenditures:
(Millions of Dollars)

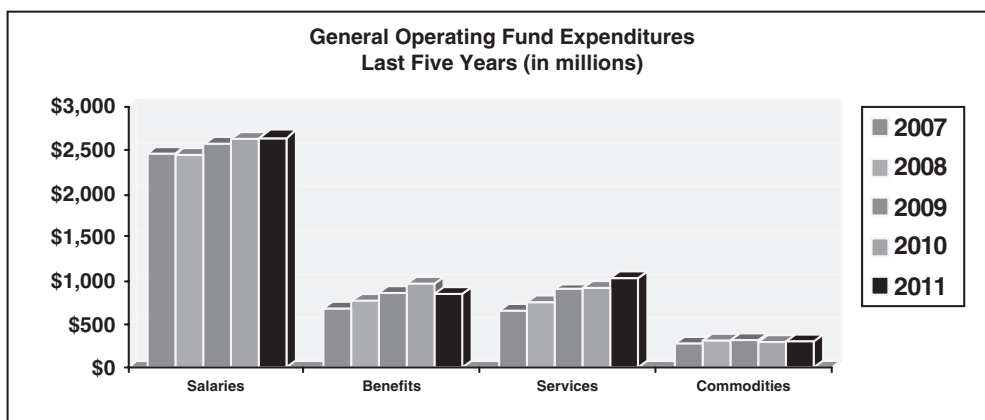
	2011 Amount	2010 Amount	2011 Percent of Total	Increase (Decrease) from 2010	Percent Increase (Decrease) from 2010
Salaries	\$2,634	\$2,630	53.6%	\$ 4	0.2%
Benefits	845	963	17.2%	(118)	- 12.3%
Services	1,026	914	20.9%	112	12.3%
Commodities	299	291	6.1%	8	2.7%
Other	106	98	2.2%	8	8.2%
Total	\$4,910	\$4,896	100.0%	\$ 14	0.3%

Salaries — In spite of the 4.0% cost of living adjustment and step increases, the total costs for salaries remained flat at the FY2010 level due to a reduction in workforce. The reduction in workforce is a direct result from a declining student enrollment at CPS regular schools over the past several years.

Benefit costs — The primary driver for the decrease of \$118 million in total benefit costs is due to Public Act 96-0889, which provided temporary pension funding relief to CPS for FY2011 through FY2013. As a result, CPS saw a net decrease of \$170 million in the pension payment to the Chicago Teachers Pension Fund (CTPF), as well as a \$2 million decrease in worker's compensation in FY2011. These savings were offset by an increase in healthcare of \$43 million, an increase in unemployment costs of \$6 million and an increase in Career Service pension payments of \$5 million.

Services — Total service costs increased by \$112 million for the following reasons. First, charter school tuition payments rose by \$51 million due to the addition of 11 new charter schools and their corresponding enrollment. Second, labor costs for security services provided by the Chicago Police Department to CPS high schools increased by \$43 million. Third, consulting service costs for Culture of Calm increased by \$26 million. Offsetting these increases were decreases in tuition and other professional services of \$4 million and \$4 million respectively.

Commodities — Total costs for commodities were \$8 million higher than last year primarily because payments for electricity increased by \$5 million and there were \$3 million more purchases of school supplies in FY2011 than in FY2010.



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Capital Projects Fund

The capital projects fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. The use of capital projects funds is required for major capital acquisition and construction activities financed through borrowing or other financing agreements. In FY2011, CPS issued two bonds generating \$382 million of net proceeds to fund the on-going capital improvement projects, which was significantly lower than \$757 million of net bond proceeds in FY2010.

**Revenues and Other Financing Sources
(Millions of Dollars)**

	2011 Amount	2010 Amount	2011 Percent of Total	Increase (Decrease) from 2010	Percent Increase (Decrease) from 2010
State aid	\$ 3	\$ —	0.6%	\$ 3	100.0%
Federal aid	4	12	0.8%	(8)	-66.7%
Investment earnings	2	2	0.4%	—	0.0%
Other	92	83	19.1%	9	10.8%
Subtotal	\$101	\$ 97	20.9%	\$ 4	4.1%
Other financing sources	382	757	79.1%	(375)	-49.5%
Total	\$483	\$854	100.0%	\$(371)	-43.4%

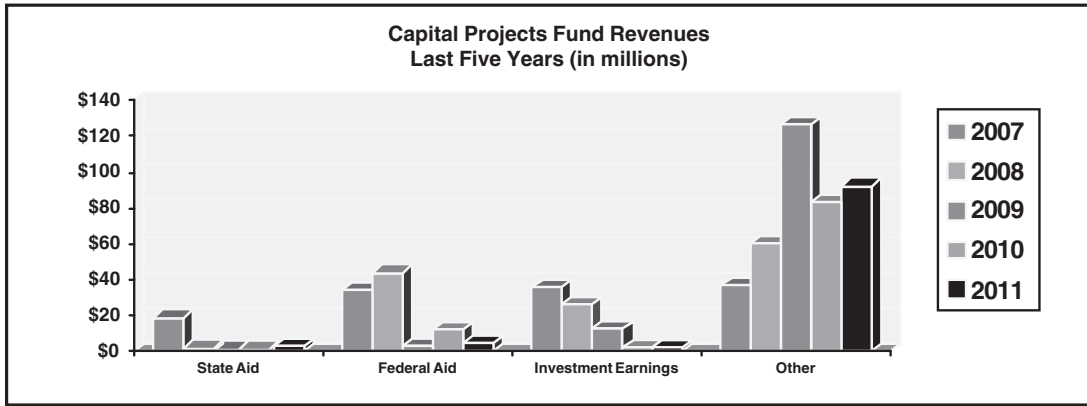
State aid — CPS received various small construction grants in the amount of \$2 million from the Illinois Capital Development Board (CDB) in fiscal year 2011, as well as \$1 million from the Illinois Department of Commerce and Economic Opportunity (IDCEO) for minor capital improvement at schools.

Federal aid — The decline of \$8 million in federal revenues primarily results from E-rate reimbursement being lower by \$7 million. In addition, fewer noise-abatement projects in FY2011 compared with FY2010 reduced this revenue by \$1 million.

Other revenues primarily consist of reimbursement by the City of Chicago for projects eligible under the Tax Increment Financing (TIF) and the Modern Schools Across Chicago (MSAC) programs. The FY2011 TIF reimbursement was higher by \$4 million than that in FY2010. Although fewer MSAC projects were completed in FY2011 compared with FY2010, the reimbursement from MSAC was \$5 million higher in FY2011 than the year before because delayed payments for projects completed in previous years were received in FY2011.

Other financing sources — The decline of \$375 million in Other financing sources primarily reflects decreases in new bond issues for capital projects in FY2011. CPS issued two bonds, Series 2010C and 2010D in the amount of \$382 million, which was substantially smaller than \$804 million of proceeds, including premiums from bonds issued in FY2010. \$47 million out of the \$804 million was capitalized interest and transferred into the debt service fund to pay for debt service.



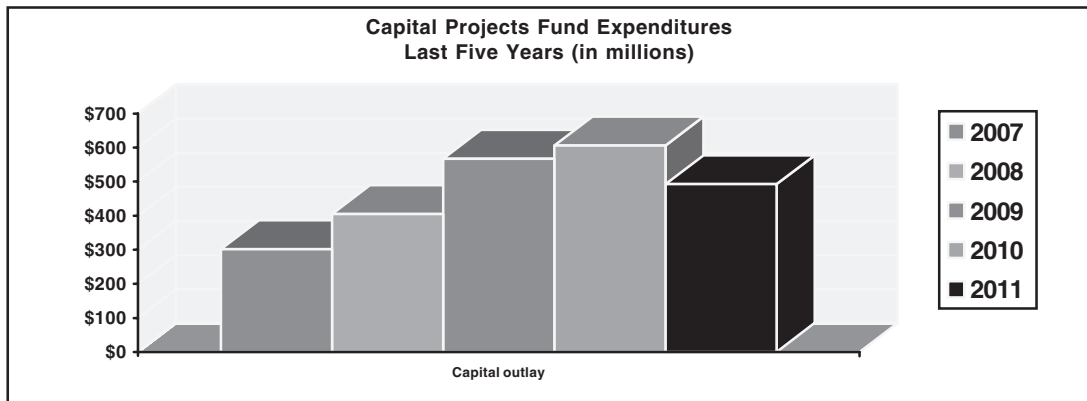


Expenditures:
(Millions of Dollars)

	2011 Amount	2010 Amount	Increase (Decrease) from 2010	Percent Increase (Decrease) from 2010
Capital Outlay	\$563	\$692	\$(129)	- 18.6%

Capital Outlay

The actual spending on capital outlay decreased by \$129 million from the FY2010 level primarily because there were fewer construction projects completed under MSAC in FY2011. Construction under MSAC peaked in FY2010 and fewer projects are left unfinished. There were 16 new school construction projects on-going in FY2011 compared with 23 school buildings in FY2010.



Debt Service Fund

The debt service fund is established to account for annual property tax levies and other revenues that are used for the payment of principal and interest on bonds, and lease obligations. FY2011 debt service costs declined by \$52 million from the FY2010 level because several existing bonds were restructured, lowering the debt payments for two years. As a result of the restructuring, cash held by trustees in the amount of \$110 million was transferred to the General Operating Fund, reducing the debt service reserve by the same amount. While the restructuring provided temporary relief, in FY2014, total debt service levels will increase significantly.



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**Revenues and Other Financing Sources
(Millions of Dollars)**

	2011 Amount	2010 Amount	2011 Percent of Total	Increase (Decrease) from 2010	Percent Increase (Decrease) from 2010
Property taxes	\$ 33	\$ 11	9.8%	\$ 22	200.0%
Replacement taxes (PPRT)	25	56	7.5%	(31)	- 55.4%
State aid	252	184	75.2%	68	37.0%
Federal aid	19	8	5.7%	11	137.5%
Investment earnings	9	7	2.7%	2	28.6%
Other	105	165	31.3%	(60)	- 36.4%
Subtotal	<u>\$ 443</u>	<u>\$431</u>	132.2%	\$ 12	2.8%
Other financing sources (uses)	<u>(108)</u>	<u>26</u>	- 32.2%	<u>(134)</u>	515.4%
Total	<u><u>\$ 335</u></u>	<u><u>\$457</u></u>	<u>100.0%</u>	<u><u>\$(122)</u></u>	- 26.7%

Property tax revenues increased by \$22 million in FY2011 because CPS did not abate any of the tax levy associated with the Public Building Commissions (PBC) lease payments. In FY2010, CPS abated \$40 million of the PBC tax levy.

Replacement tax revenues - Because of the restructuring of several bonds backed by replacement tax revenues, replacement tax revenues allocated to these bonds decreased by \$31 million in FY2011. The regular level will return in FY2012.

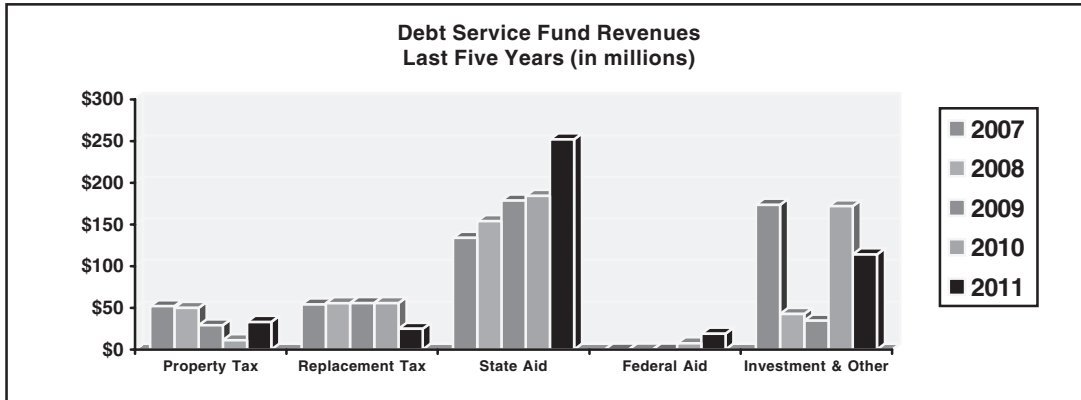
State aid used for debt service funds increased by \$68 million in FY2011 for two reasons. First, several bonds supported by the General State Aid (GSA) required an increase of \$38 million in GSA revenues for higher debt obligation. Second, CPS received \$30 million of construction reimbursement from the State Capital Development Board, which was deposited to the debt service funds for future debt payments.

Federal aid increased by \$11 million related to interest subsidies from the federal government for Qualified School Construction Bonds (QSCBs) and Build America Bonds (BABs) that CPS issued in 2009 and 2010. CPS was able to issue these bonds under the ARRA. CPS not only issued more of these bonds in FY2011, but FY2011 was also the first year to receive the interest subsidy for the full year.

Other revenues account for any one-time local revenues or the disbursement of property tax revenues from the City of Chicago based on the inter-governmental agreements (IGA) for capital bonds issued in the late 1990s. The decrease of \$60 million in this source from the FY2010 level reflects collection timing issues with IGA revenues in FY2010 and the loss of one-time revenue of \$28 million realized in FY2010 when the School Finance Authority expired on June 1, 2010.

Other financing sources decreased by \$134 million primarily due to the FY2011 debt restructuring which resulted in transferring \$110 million of cash from the trustee accounts to the General Operating Fund. CPS also received \$24 million less in bond proceeds in FY2011 as compared to FY2010.



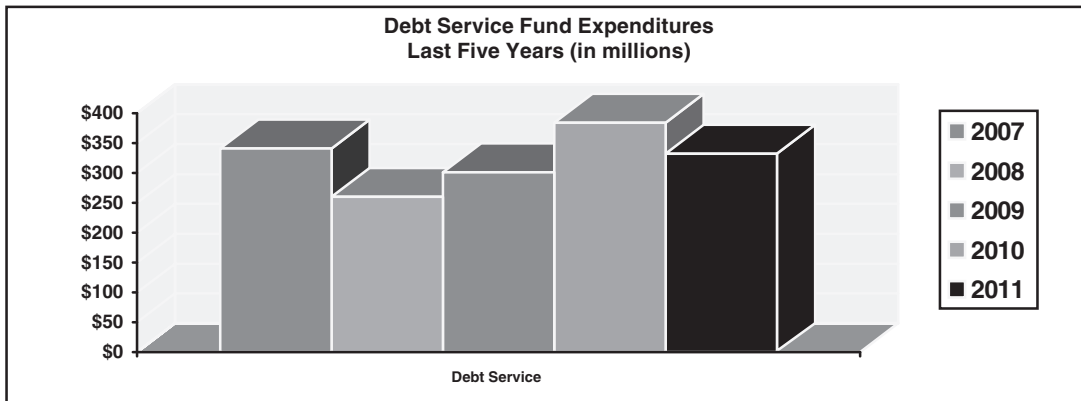


Expenditures:
(Millions of Dollars)

	2011 Amount	2010 Amount	Increase (Decrease) from 2010	Percent Increase (Decrease) from 2010
Debt service	\$332	\$384	\$(52)	- 13.5%

Debt service costs

As a direct result of the debt restructuring, total debt service costs decreased by \$52 million from the FY2010 level. FY2011 principal payments were \$68 million lower than the amount last year while interest and fees were \$16 million higher than last year.



Notes to Basic Financial Statements

The Notes to Basic Financial Statements follow the statements in the report and complement the financial statements by describing qualifying factors and changes throughout the fiscal year.

General Operating Fund Budget and Actual

Annual budgets are prepared on a basis consistent with accounting principles generally accepted in the United States for the General Operating Fund. All annual unencumbered appropriations lapse at fiscal year-end.

The budget is prepared by unit, fund, account, program and grant. Certain funding allocations (primarily Federal and State programs, including Supplementary General State Aid) are made to schools but are not budgeted by account by the schools at the time the budget is adopted. These allocations are included in Other Fixed Charges for budget purposes. During the fiscal year, upon receiving the appropriate



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approvals from regional offices and the Office of Management and Budget, transfers are made to the appropriate accounts. These transfers are reflected in the schedule shown below.

The following schedule presents a summary of the operating fund revenues, expenditures, and other financing sources in comparison with the final budget for the period ending June 30, 2011.

The General Operating Fund ended FY2011 with a surplus of \$316 million, which compared very favorably with the budgeted deficit of \$245 million. This financial performance reflects the Board's conscientious efforts to improve its financial position. The Board achieved this with the benefit of increased revenues, primarily a result of some non-recurring benefits described previously, coupled with limiting operating spending, lowering revenues required for debt service, and directing all non-recurring revenues to the fund balance. Also the state's payment delay improved significantly from \$236 million at the end of FY2010 to \$176 million at the end of FY2011, which provided more revenues to the operating fund. Major budget-to-actual variances are described below:

**Revenues, Other Financing Sources and Expenditures
General Operating Fund
Budget to Actual Comparison
(Millions of Dollars)**

	<u>FY 2011 Approved Budget</u>	<u>Transfers In/ (Out)</u>	<u>Final Appropriations</u>	<u>FY 2011 Actual</u>	<u>Variance</u>
Revenues:					
Property taxes	\$1,920	\$ —	\$1,920	\$1,904	\$ (16)
Replacement taxes (PPRT)	99	—	99	172	73
State aid	1,628	—	1,628	1,695	67
Federal aid	1,289	—	1,289	1,122	(167)
Investment earnings	3	—	3	2	(1)
Other	99	—	99	221	122
Subtotal	<u>\$5,038</u>	<u>\$ —</u>	<u>\$5,038</u>	<u>\$5,116</u>	<u>\$ 78</u>
Other financing sources	—	—	—	110	110
Total	<u>\$5,038</u>	<u>\$ —</u>	<u>\$5,038</u>	<u>\$5,226</u>	<u>\$ 188</u>
Expenditures:					
Salaries	\$2,684	\$ 77	\$2,761	\$2,634	\$(127)
Benefits	872	(20)	852	845	(7)
Services	874	212	1,086	1,026	(60)
Commodities	331	36	367	299	(68)
Other fixed charges	522	(305)	217	106	(111)
Total	<u>\$5,283</u>	<u>\$ —</u>	<u>\$5,283</u>	<u>\$4,910</u>	<u>\$(373)</u>
Change in fund balance	<u>\$ (245)</u>			<u>\$ 316</u>	

Property tax revenues

The reduction of \$16 million in property tax revenues reflects the change of tax allocation in the debt service funds. Because there was no property tax abatement for PBC bonds for the tax year 2010 in FY2011, the 2011 spring allocation of property tax revenues to debt service funds increased by \$21 million over budget, which lowered the tax allocation to operating fund by the same amount. Without the effect of no abatement, the total property tax revenues would be \$1.925 billion, slightly higher than the budgeted amount.

Replacement tax

Replacement revenues were higher than the budget by \$73 million because of three non-recurring events in FY2011. First, the State offered a tax-amnesty program in fall 2010. Second, the state distributed refund funds



that it had not used to pay for corporate refunds in the previous year to CPS. Finally, CPS restructured some of its bonds, which reduced PPRT allocation for debt service from the budgeted level in FY2011.

State revenues

The actual state revenues were \$67 million higher than budget primarily because the State's payment delay improved significantly as a result of state income tax increases. Compared with \$627 million of the budgeted amount, revenues from two block grants totaled \$688 million in FY2011, an increase of \$61 million over budget. In addition, the state paid off the majority of prior-year and current-year obligations for small grants such as regular orphanage, mentoring, and national board certification, resulting in \$6 million of revenue increases above the budget.

Federal revenues

Federal revenues were \$167 million lower than the budget for several reasons. First, CPS budgeted \$106 million for the Ed Jobs Fund for FY2011 but received only \$48 million because CPS decided to utilize this grant over two years. Second, \$50 million was budgeted in anticipation of the State of Illinois securing the Race to the Top grant but it did not materialize. Third, Title I revenues came in below budget by \$52 million because one payment was not received by July 30, 2011. Revenues from the federal special education grants (IDEA) performed below budget by \$25 million due to lower spending than the budgeted level. Improving Teacher Quality (Title IIA) generated \$46 million, \$6 million below budget as a result of lower spending. School Improvement Grant saw a decrease of \$6 million from the budget because of lower spending. Other small federal grants such as Striving Readers, 21st Century Community Learning, and Language Acquisition grants experienced decreases of approximately \$14 million from the budget. Offsets include Medicaid reimbursement which performed much better than the budget by \$23 million and Headstart revenues which were \$21 million higher than the budget because FY2011 receipts represent one and a half year's collection.

Investment earnings

The interest income of \$2 million in FY2011 was lower than the budget by \$1 million primarily because of the close-to-zero interest rate policy and the delay in property tax billing in fall 2010, which lowered the average cash balance available for investment for several months.

Other revenues

Other local revenues comprise miscellaneous or one-time receipts such as rental income, daycare fees, private foundation grants, school internal account funds, and flow-through employer contributions to the Municipal Employees' Annuity and Benefit Fund of Chicago. Other local revenues increased by \$122 million over budget primarily because CPS unexpectedly received \$123 million of one-time Tax Increment Financing (TIF) surplus funds declared by the City of Chicago in FY2011.

Actual General Operating Fund expenditures were \$373 million under budget. The variance is primarily due to:

Salary

Total salary expenditures were below budget by \$127 million for a variety of reasons. First, CPS was able to decrease its salary by \$35 million from the budgeted level because of fewer teacher positions staffed due to lower enrollment, as well as retirement and vacated positions not being filled. Second, discretionary funds such as SGSA and Title funds hired fewer positions than were budgeted, lowering the salary cost by \$21 million below budget. Third, payments for substitute teachers came in lower than the budget by \$13 million since there were fewer teachers than before. Fourth, due to vacancy and turn-over, salary costs for lunchroom funds came in below budget by \$14 million. Fifth, because of timing of grant awards and vacancy factors, other federal grants spent \$44 million below budget on salaries.

Benefit costs

Total benefit costs were below budget by \$7 million primarily because healthcare costs came in under budget by \$12 million, which was offset by \$5 million increases in Education Support Personnel (ESP) on-behalf employer pension costs.

Services expenditure

Expenditures for services include student transportation costs, tuition for charter schools and special education institutions, contractual and professional services, printing and equipment rental. FY2011 costs



Financial Section

for services totaled \$1.026 billion, which is lower than the budget by \$60 million. Some of these unspent amounts represent not receiving goods or services by the end of June 30, while others were for services that were not spent in FY2011. The following lists expenditure items that were below budget. Transportation which includes student busing, travel, and car fare came in below budget by \$8 million. The delay in the implementation of performance evaluation under the Teacher Incentive Grant resulted in not spending \$8 million budgeted for services. Tuition payments for private facilities totaled \$7 million less than the budget. Payments for delegate agencies for early childhood education came in below budget by \$4 million. Building repair costs were below budget by \$3 million. Payments for printing, subscription, rental, and advertising came in below budget by \$4 million. Educational services under Title I choice programs was \$4 million less than budgeted and other miscellaneous services was \$22 million under budget.

Commodities

Spending on commodities were lower than budget by \$68 million for five reasons. First, food expenditures were lower than the budget by \$15 million because expanding the universal breakfast programs to all schools occurred toward the end of the school year and so less food was needed. Second, because of the low natural gas prices, total utility costs came in under budget by \$2 million. Third, contingency for the supplemental GSA fund was budgeted at \$16 million for textbooks and \$17 million for supplies. None of these was actually spent. Fourth, expenditures on textbooks for summer schools and supplemental education were lower than the budget by \$4 million. Finally, schools spent \$14 million less than what was budgeted for textbooks, supplies, and other commodities in FY2011.

Other fixed charges

Other fixed charges include unallocated educational program costs, unallocated grant contingency in anticipation of new or expanding grants, equipment costs, miscellaneous charges, facility rental, insurance, and legal claims. Expenditure under Other fixed charges was below budget by \$111 million primarily for three major reasons: First, actual payments for insurance and settlements came lower than the budget by \$4 million. Second, the FY2011 budget includes a grant contingency of \$50 million from the federal Race to the Top grant but it did not materialize. Third, the Ed Jobs grant was initially budgeted for \$106 million as grant contingency but only \$58 million was spent.

Comparative Budgets for General Operating Fund

In August 2010, the Board adopted a balanced budget for fiscal year 2011 that reflected total resources, including \$245 million of available fund balances, and appropriations of \$5.283 billion for the General Operating Fund.

In August 2011, the Board adopted a balanced budget for fiscal year 2012 that reflected total resources, including \$241 million of available fund balances, and appropriations of \$5.110 billion for the General Operating Fund.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of CPS' finances and to show CPS' accountability for the money it receives. Additional details can be requested by mail at the following address:

The Chicago Public Schools
Office of the Controller
125 South Clark Street, 14th Floor
Chicago, Illinois, 60603

Or visit our website at: <http://www.cps.edu> for a complete copy of this report and other financial information.

(Please note that some amounts may not tie to the financial statements due to rounding.)





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Financial Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

STATEMENT OF NET ASSETS
June 30, 2011
(Thousands of Dollars)

	<u>Governmental Activities</u>
Assets:	
Current assets:	
Cash and investments	\$ 1,157,460
Cash and investments in escrow	778,083
Cash and investments held in school internal accounts	34,840
Property taxes receivable, net of allowance	1,022,827
Other receivables:	
Replacement taxes	24,342
State aid, net of allowance	775,970
Federal aid	277,650
Other, net of allowance	146,247
Other assets	31,526
Total current assets:	<u>\$ 4,248,945</u>
Non-current assets:	
Land and construction in progress	686,544
Buildings and improvements, equipment, and software, net of accumulated depreciation	5,100,717
Derivative instrument	498
Deferred outflow of resources	132,305
Total non-current assets:	<u>\$ 5,920,064</u>
Total assets	<u>\$10,169,009</u>
Liabilities:	
Current liabilities:	
Accounts payable	\$ 464,286
Accrued payroll and benefits	611,484
Amount held for student activities	34,840
Other accrued liabilities	10,549
Unearned revenue	14,321
Interest payable	24,439
Current portion of long-term debt and capitalized lease obligations	107,318
Total current liabilities:	<u>\$ 1,267,237</u>
Long-term liabilities, net of current portion:	
Debt, net of premiums and discounts	5,689,724
Capitalized lease obligations	301,705
Derivative instrument liability	133,181
Swaption borrowing payable	36,158
Other accrued liabilities	154
Pension	2,262,010
Other postemployment benefits	1,130,197
Other benefits and claims	550,458
Total long-term liabilities:	<u>\$10,103,587</u>
Total liabilities	<u>\$11,370,824</u>
Net Assets:	
Invested in capital assets, net of related debt	\$ 370,159
Restricted for:	
Debt service	469,373
Donations	7,598
Enabling legislation	153,483
Unrestricted (deficit)	(2,202,428)
Total net assets (deficit)	<u>\$ (1,201,815)</u>

The accompanying notes to the basic financial statements are an integral part of this statement.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011
(Thousands of Dollars)

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Functions/programs					
<i>Governmental activities:</i>					
Instruction	\$3,712,681	\$ 692	\$ 537,926	\$116,280	\$(3,057,783)
Support services:					
Pupil support services	545,428	—	66,647	20,016	(458,765)
Administrative support services	187,559	—	73,676	6,883	(107,000)
Facilities support services	499,093	—	343,994	16,395	(138,704)
Instructional support services	541,714	—	126,226	16,966	(398,522)
Food services	215,609	6,404	171,842	6,758	(30,605)
Community services	47,021	—	47,807	1,539	2,325
Interest expense	285,577	—	—	—	(285,577)
Other	8,845	—	—	—	(8,845)
Total governmental activities	<u>\$6,043,527</u>	<u>\$7,096</u>	<u>\$1,368,118</u>	<u>\$184,837</u>	<u>\$(4,483,476)</u>
General revenues:					
Taxes:					
Property taxes					\$ 2,053,119
Replacement taxes					197,762
Non-program state aid					1,792,747
Interest and investment earnings					17,101
Other					139,201
Total general revenues					<u>\$ 4,199,930</u>
Change in net assets					\$ (283,546)
Net assets — beginning (deficit)					(918,269)
Net assets — ending (deficit)					<u>\$(1,201,815)</u>

The accompanying notes to the financial statements are an integral part of this statement.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

BALANCE SHEET — GOVERNMENTAL FUNDS

June 30, 2011

(Thousands of Dollars)

	General Operating Fund	Capital Projects Fund	Debt Service Fund	Totals
Assets:				
Cash and investments	\$1,038,083	\$ —	\$119,377	\$1,157,460
Cash and investments in escrow	5,762	433,121	339,200	778,083
Cash and investments held in school internal accounts	34,840	—	—	34,840
Receivables:				
Property taxes, net of allowance	998,644	—	24,183	1,022,827
Replacement taxes	24,342	—	—	24,342
State aid, net of allowance	775,305	665	—	775,970
Federal aid	274,121	200	3,329	277,650
Other, net of allowance	82,314	59,053	4,880	146,247
Due from other funds	198,258	69	51,189	249,516
Other assets	2,095	—	—	2,095
Total Assets	\$3,433,764	\$493,108	\$542,158	\$4,469,030
Liabilities and fund balances:				
Liabilities:				
Accounts payable	\$ 389,156	\$ 63,320	\$ 11,810	\$ 464,286
Accrued payroll and benefits	518,652	—	—	518,652
Amount held for student activities	34,840	—	—	34,840
Due to other funds	51,258	198,258	—	249,516
Deferred property tax revenue	991,254	—	23,963	1,015,217
Other deferred/unearned revenue	708,224	48,646	3,329	760,199
Total liabilities	\$2,693,384	\$310,224	\$ 39,102	\$3,042,710
Fund balances:				
Nonspendable	\$ 1,972	\$ —	\$ —	\$ 1,972
Restricted for grants and donations	126,855	—	—	126,855
Restricted for workers' comp/tort immunity	91,036	—	—	91,036
Restricted for capital improvement program	—	182,884	—	182,884
Restricted for debt service	—	—	271,643	271,643
Assigned for educational services	289,000	—	—	289,000
Assigned for appropriated fund balance	181,300	—	—	181,300
Assigned for debt service	—	—	231,413	231,413
Assigned for encumbrances	44,924	—	—	44,924
Unassigned	5,293	—	—	5,293
Total fund balances	\$ 740,380	\$182,884	\$503,056	\$1,426,320
Total liabilities and fund balances	\$3,433,764	\$493,108	\$542,158	\$4,469,030

The accompanying notes to the basic financial statements are an integral part of this statement.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

RECONCILIATION OF THE BALANCE SHEET — GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS

June 30, 2011

(Thousands of Dollars)

Total fund balances — governmental funds	\$ 1,426,320
Prepaid assets and deferred charges are recorded as expenditures in governmental funds. The Statement of Net Assets includes these amounts as other assets.	
Deferred charges — bond issuance costs	29,431
Derivative instrument	498
Deferred outflow of resources	132,305
The cost of capital assets (land, buildings and improvements and equipment) purchased or constructed is reported as an expenditure in the governmental funds. The Statement of Net Assets includes those capital assets among the assets of the CPS as a whole. The cost of those capital assets are allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in the governmental funds.	
Cost of capital assets	8,668,857
Accumulated depreciation...	(2,881,596)
Liabilities applicable to the CPS' governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest payable on debt and other long-term obligations is not recorded in the governmental funds but they are reported in the Statement of Net Assets. All liabilities, both current and long-term, are reported in the Statement of Net Assets.	
Other accrued liabilities	\$ (10,549)
Debt, net of premiums and discounts	(5,766,272)
Capitalized lease obligations	(332,475)
Pension	(2,262,010)
Other postemployment benefits	(1,130,197)
Other benefits and claims	(643,290)
	(10,144,793)
Interest payable	(24,439)
Arbitrage liability — long term	(154)
Swaption borrowing payable	(36,158)
Derivative instrument liability	(133,181)
Revenues that have been deferred or unearned in the governmental funds because they are not available but are recognized as revenue in the government-wide financial statements.	
Deferred property tax revenue	1,015,217
Other deferred/unearned revenue	745,878
Net assets	<u>\$ (1,201,815)</u>

The accompanying notes to the basic financial statements are an integral part of this statement.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

**STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGES IN FUND BALANCES —
GOVERNMENTAL FUNDS**

For the Fiscal Year Ended June 30, 2011

With Comparative Amounts for the Fiscal Year Ended June 30, 2010

(Thousands of Dollars)

	General Operating Fund	Capital Projects Fund	Debt Service Fund	Total Fiscal Year Ended June 30, 2011	Total Fiscal Year Ended June 30, 2010
Revenues:					
Property taxes	\$1,904,169	\$ —	\$ 32,486	\$1,936,655	\$2,047,163
Replacement taxes	172,384	—	25,378	197,762	152,497
State aid	1,694,566	2,793	252,422	1,949,781	1,552,076
Federal aid	1,121,457	4,376	19,051	1,144,884	1,180,148
Interest and investment earnings	1,920	2,024	9,455	13,399	12,483
Other	221,391	91,420	104,705	417,516	359,661
Total Revenues	\$5,115,887	\$ 100,613	\$ 443,497	\$5,659,997	\$5,304,028
Expenditures:					
Current:					
Instruction	\$2,955,772	\$ —	\$ —	\$2,955,772	\$2,898,855
Pupil support services	508,803	—	—	508,803	416,502
Administrative support services	174,964	—	—	174,964	191,927
Facilities support services	416,765	—	—	416,765	385,726
Instructional support services	431,275	—	—	431,275	432,984
Food services	201,325	—	—	201,325	196,828
Community services	45,848	—	—	45,848	50,331
Teachers' pension and retirement benefits	149,377	—	—	149,377	294,424
Other	8,845	—	—	8,845	11,928
Capital outlay	16,978	563,385	—	580,363	705,691
Debt service	—	—	332,097	332,097	386,597
Total Expenditures	\$4,909,952	\$ 563,385	\$ 332,097	\$5,805,434	\$5,971,793
Revenues in excess of/(less than) expenditures ...	\$ 205,935	\$(462,772)	\$ 111,400	\$ (145,437)	\$ (667,765)
Other financing sources (uses):					
Gross amounts from debt issuances	\$ —	\$ 382,125	\$ 256,665	\$ 638,790	\$1,083,260
Premiums	—	—	14,700	14,700	6,459
Payment to refunded bond escrow agent	—	—	(269,483)	(269,483)	(288,704)
Transfers in/(out)	109,830	163	(109,993)	—	—
Total other financing sources (uses)	\$ 109,830	\$ 382,288	\$(108,111)	\$ 384,007	\$ 801,015
Net change in fund balances	\$ 315,765	\$ (80,484)	\$ 3,289	\$ 238,570	\$ 133,250
Fund balances, beginning of period	424,615	263,368	499,767	1,187,750	1,054,500
Fund balances, end of period	\$ 740,380	\$ 182,884	\$ 503,056	\$1,426,320	\$1,187,750

The accompanying notes to the basic financial statements are an integral part of this statement.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGES
 IN FUND BALANCES — GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended June 30, 2011

(Thousands of Dollars)

Total net change in fund balances — governmental funds	\$238,570
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlays exceed the depreciation in the period.	
Capital outlay/equipment	\$ 537,372
Depreciation expense	<u>(212,758)</u>
	324,614
Proceeds from sales of bonds are reported in the governmental funds as a source of financing, whereas they are recorded as long-term liabilities in the Statement of Net Assets	(638,790)
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Assets	340,505
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the governmental funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities however, interest cost is recognized as the interest accrues, regardless of when it is due	(23,817)
Government funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities	(11,644)
Since some property taxes and grants will not be collected for several months after CPS' fiscal year ends, they are not considered as "available" revenues in the governmental funds, and are instead recorded as deferred revenues. They are, however, recorded as revenues in the Statement of Activities. The following represents the change in related deferred revenue balances.	
Property taxes	116,464
Grants	(20,222)
In the Statement of Activities, pollution remediation obligation, legal settlements, sick pay, vacation pay, workers' compensation, general and automobile liability, net pension obligation and other postemployment benefits are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are paid measured by the amount actually paid. The following represents the change during the year for these obligations.	
Pollution remediation obligation	(1,884)
Legal settlements	500
Sick pay	(124,855)
Vacation pay	9,119
Workers' compensation	(6,059)
General and automobile liability	188
Net pension obligation	(293,325)
Other postemployment benefits — teacher	(180,826)
In the Statement of Activities, gain or loss on disposal of capital assets is reported, whereas in the governmental funds, the entire proceeds are recorded	<u>(12,084)</u>
Change in net assets	<u><u>\$(283,546)</u></u>

The accompanying notes to the financial statements are an integral part of this statement.



Financial Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

**STATEMENT OF REVENUES, EXPENDITURES BY OBJECT,
 OTHER FINANCING SOURCES AND NET CHANGES IN FUND BALANCE
 FINAL APPROPRIATIONS VS. ACTUAL — GENERAL OPERATING FUND
 For the Fiscal Year Ended June 30, 2011
 (Thousands of Dollars)**

	<u>Approved Budget</u>	<u>Transfers In / (Out)</u>	<u>Final Appropriations</u>	<u>Fiscal Year Actual</u>	<u>Variance</u>
Revenues:					
Property taxes	\$1,920,100	\$ —	\$1,920,100	\$1,904,169	\$ (15,931)
Replacement taxes	98,730	—	98,730	172,384	73,654
State aid	1,628,428	—	1,628,428	1,694,566	66,138
Federal aid	1,288,988	—	1,288,988	1,121,457	(167,531)
Interest and investment income	2,600	—	2,600	1,920	(680)
Other	99,239	—	99,239	221,391	122,152
Total revenues	\$5,038,085	\$ —	\$5,038,085	\$5,115,887	\$ 77,802
Expenditures:					
Salaries —					
Teachers	\$2,064,712	\$ 80,652	\$2,145,364	\$2,023,510	\$ 121,854
Career services	619,382	(4,058)	615,324	610,741	4,583
Commodities —					
Energy	83,448	(1,609)	81,839	83,356	(1,517)
Food	107,294	1,131	108,425	93,766	14,659
Textbooks	80,499	22,375	102,874	70,249	32,625
Supplies	58,967	14,622	73,589	51,125	22,464
Other	674	21	695	478	217
Services —					
Professional fees	354,263	138,326	492,589	450,127	42,462
Charter schools	321,662	54,917	376,579	377,755	(1,176)
Transportation	112,732	2,717	115,449	107,530	7,919
Tuition	54,618	11,032	65,650	59,102	6,548
Telephone and telecommunications	19,575	48	19,623	19,823	(200)
Other	10,979	4,807	15,786	11,789	3,997
Equipment — educational	30,225	29,212	59,437	41,896	17,541
Building and sites —					
Repairs and replacements	38,044	2,707	40,751	37,355	3,396
Capital outlay	—	5	5	5	—
Fixed charges —					
Teachers' pension	337,218	1,537	338,755	306,111	32,644
Career service pension	97,963	(1,243)	96,720	102,158	(5,438)
Hospitalization and dental insurance	347,670	(14,396)	333,274	353,878	(20,604)
Medicare	37,080	(2,139)	34,941	35,004	(63)
Unemployment compensation	23,868	(3,735)	20,133	21,992	(1,859)
Workers compensation	28,588	(361)	28,227	25,859	2,368
Rent	11,884	413	12,297	11,941	356
Debt service	—	—	—	—	—
Other	441,340	(336,981)	104,359	14,402	89,957
Total expenditures	\$5,282,685	\$ —	\$5,282,685	\$4,909,952	\$ 372,733
Revenues in excess of (less than) expenditures ...	\$ (244,600)	\$ —	\$ (244,600)	\$ 205,935	\$ 450,535
Other financing sources					
Transfers in	\$ —	\$ —	\$ —	\$ 109,830	\$ 109,830
Total other financing sources	\$ —	\$ —	\$ —	\$ 109,830	\$ 109,830
Net change in fund balance	\$ (244,600)	\$ —	\$ (244,600)	\$ 315,765	\$ 560,365
Fund balance, beginning of period	424,615	—	424,615	424,615	—
Fund balance, end of period	\$ 180,015	\$ —	\$ 180,015	\$ 740,380	\$ 560,365

The accompanying notes to the basic financial statements are an integral part of this statement.

CHICAGO PUBLIC SCHOOLS**Chicago Board of Education****NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Reporting Entity**

The Board of Education of the City of Chicago, or the Chicago Public Schools (CPS), is a body politic and corporate, and a school district of the State of Illinois having boundaries coterminous with the boundaries of the City of Chicago. The Board of Education of the City of Chicago (the Board) is established under and governed by the Illinois School Code and maintains a system of schools primarily for kindergarten through twelfth grade.

As a result of legislation passed by the Illinois General Assembly, which became effective on June 30, 1995, the Mayor of the City of Chicago appoints the members of the Board of Education of the City of Chicago. The CPS is excluded from the City's reporting entity because it does not meet the financial accountability criteria for inclusion established by the Governmental Accounting Standards Board (GASB).

The City of Chicago, the Chicago School Finance Authority, the Public Building Commission of Chicago and the Public School Teachers' Pension and Retirement Fund of Chicago are deemed to be related organizations but separate entities and are not included as part of the CPS reporting entity. No fiscal dependency exists between these organizations. These units are excluded from the CPS reporting entity because they do not meet the criteria for inclusion as established by GASB.

New Accounting Standards

During fiscal year 2011, CPS adopted the following GASB Statements:

- GASB 54, *Fund Balance Reporting and Governmental Fund type Definitions*. Please refer to the Fund Balance section of Note 1 and Note 13 for required disclosures. This statement established accounting and financial reporting standards for all governments that report governmental funds. It established criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types.
- GASB 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, which had no impact on the current year financial statements.

Other accounting standards that CPS is currently reviewing for applicability and potential impact on the financial statements include:

- GASB 60, *Accounting and Financial Reporting for Service Concession Arrangements*, will be effective for CPS with its year ended June 30, 2013. The objective of this Statement is to improve financial reporting by addressing uses related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This Statement establishes recognition, measurement, and disclosure requirements for SCAs for both transferors and governmental operators.
- GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, will be effective for CPS beginning with its year ending June 30, 2013. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements.



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows or Resources, and Net Position*, will be effective for CPS beginning with its year ending June 30, 2013. The objective of this Statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.
- GASB 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions – An Amendment to GASB Statement No. 53*, will be effective for CPS beginning with its year ending June 30, 2012. The objective of this statement is to enhance comparability and improve financial reporting by clarifying the circumstances in which hedge accounting should continue when a swap counterparty, or a swap counterparty's credit support provider, is replaced.

Description of Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the government-wide entity as a whole. The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the GASB requirements of accounting and financial reporting for nonexchange transactions.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the CPS' taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from general revenues.

CPS reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense to each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the activities of the CPS. Interfund balances have been removed from these statements but the services provided and used are not eliminated in the process of consolidation.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not identified as program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. State and Federal grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within 30 days of fiscal year end. For this purpose, the CPS also considers State aid, Federal aid and replacement tax revenues that are susceptible to accrual to be available if they are collected within 30 days of fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, other postemployment benefits, net pension obligations, and pollution remediation obligations, are recorded only when payment is due.

Funds

CPS reports its financial activities through the use of “fund accounting.” This is a system of accounting wherein transactions are reported in self-balancing sets of accounts to reflect results of activities. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained, consistent with legal and managerial requirements. A description of the activities of the various funds is provided below.

Governmental Funds*a. General Operating Fund*

The General Operating Fund is established in compliance with the provisions of the Illinois Program Accounting Manual for Local Education Agencies. This Fund is the primary operating fund of CPS and is made up of the following programs:

- Educational Program
- Supplementary General State Aid Program
- School Food Service Program
- Elementary and Secondary Education Act (ESEA) Program
- Individuals with Disabilities Education Act (IDEA) Program
- American Recovery and Reinvestment Act of 2009 (ARRA)
- Workers’ and Unemployment Compensation/Tort Immunity Program
- Public Building Commission Operations and Maintenance Program
- Other Government-Funded Programs

b. Capital Projects Fund

The Capital Projects Fund includes the following programs:

Capital Asset Program — This program is for the receipt and expenditure of the proceeds from the sale of certain Board real estate, proceeds from the Chicago School Finance Authority and other miscellaneous capital projects revenues from various sources as designated by the Board.



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Improvement Program — This program is for the receipt and expenditure of proceeds from the sale of Unlimited Tax General Obligation Bonds, Public Building Commission Building Revenue Bonds, State of Illinois Construction Grants, Federal E-rate capital subsidies and other revenues for the purpose of building and improving schools as designated by the Board. The bonds are being repaid in the Debt Service Fund from Replacement Tax revenue, from an Intergovernmental Agreement with the City of Chicago, State of Illinois Construction Grants, General State Aid, other revenues as designated by the Board and from a separate tax levy associated with the bonds, if necessary.

c. Debt Service Fund

The Debt Service Fund includes the following programs:

Bond Redemption and Interest Program—This program is for the receipt and expenditure of Replacement Taxes, City of Chicago Intergovernmental Agreement revenue, State of Illinois Construction Grants, General State Aid and other revenues as designated by the Board for the payment of interest and principal on specific bond issues.

Public Building Commission Leases Program — Receipts and expenditures of tax levies and State of Illinois Construction Grants for the rental payments due to the Public Building Commission of school buildings are recorded in this program. The title to these properties passes to the City of Chicago, in trust for the use of the CPS, at the end of the lease terms.

Assets, Liabilities, and Net Assets or Equity*Deposits and Investments*

CPS' cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. In addition, State statutes authorize CPS to invest in obligations of the U.S. Treasury, commercial paper, repurchase agreements and the State Treasurer's Investment Pool. CPS' investments are reported at fair value, based on quoted market prices.

Restricted Assets

Certain proceeds of the CPS bond issuances, as well as certain assets set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. These amounts are consequently held in escrow.

Receivables and Payables

CPS records as its property taxes receivable amounts equal to the current year tax levy plus the two years prior levies net of an allowance for estimated uncollectible amounts. The allowance is recorded at 3.5% of the gross levy.

A calendar year's property tax levies are billed (extended) in two installments in the subsequent calendar year. Calendar year 2010 property taxes were levied for fiscal year 2011 in December 2010, and were billed in fiscal year 2011. In 2011, the installment due dates were April 1 and November 1. Property taxes unpaid after these dates accrue interest at the rate of 1.5% per month. The treasurers of Cook and DuPage counties, who distribute such receipts to the CPS, receive collections of property tax installments. The CPS' property tax becomes a lien on real property on January 1 of the year for which it is levied. The levy becomes an enforceable lien against the property as of January 1 of the levy year. CPS does not record a receivable nor related deferred revenue until the Board passes the levy for the current fiscal year.



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Capital Assets

Capital assets, which include land, construction in progress, buildings, building improvements and equipment are reported in the governmental activities columns in the government-wide financial statements. Land, buildings and building improvements are recorded at historical cost or estimated historical cost if purchased or constructed. The capitalization threshold for equipment is a unit cost of \$25,000 or more. Donated capital assets are recorded at estimated fair market value at date of donation. In FY2010, CPS implemented GASB Statement No. 51 (GASB 51), *Accounting and Financial Reporting for Intangible Assets* reporting internally developed software with a capitalization threshold of \$75,000 or more.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Beginning in fiscal year 2005, CPS implemented procedures related to impaired assets. Generally, a capital asset is considered impaired when its service utility has declined significantly and the events or changes in the circumstances are unexpected or outside the normal life cycle. There were no capital asset impairments during fiscal year 2011.

Depreciation of buildings and building improvements of the CPS is calculated using the straight-line method beginning in the year after they are completed. Equipment is depreciated using the straight-line method and the mid-year convention. The CPS’ capital assets have the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	25-50
Administrative software/systems	20
Internally developed software	3
Equipment	5

Depreciation of buildings and building improvements placed in service prior to fiscal year 2002 was calculated using a composite rate that CPS estimated to be 32 years. For items placed in service subsequent to fiscal year 2001, CPS utilizes the estimated useful lives for specific components within the range noted above.

For assets other than personal property placed in service prior to June 30, 2001, the amount to be recorded as a reduction to capital assets and related accumulated depreciation upon asset retirement is determined using a deflated replacement cost methodology.

Vacation and Sick Pay

The CPS provides vacation and sick pay benefits for substantially all of its employees. Accrued sick pay benefits were computed using the termination payment method. The liability for accrued vacation pay benefits was computed using the employee’s actual daily wage. Please refer to Note 11 for accruals.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts, as well as



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Swaps

CPS enters into interest rate swap agreements to modify interest rates on outstanding debt. CPS reported the swaps according to GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments". Please refer to Note 10 for required disclosures.

Fund Balances

Effective July 1, 2010, CPS adopted the provisions of Governmental Accounting Standards Board Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. In addition, GASB 54 modified certain fund type definitions and provided guidance for classification of stabilization amounts on the face of the balance sheet.

Within the governmental fund types, CPS' fund balances are reported in one of the following classifications:

Nonspendable — includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact.

Restricted — includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Assigned — includes amounts that are constrained by CPS' *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) CPS' Board of Education itself; or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. CPS' Board of Education delegated authority to the Chief Financial Officer and Chief Purchasing Officer to assign amounts for a specific purpose within the General Operating Fund. Within the other governmental fund types (debt service and capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned.

Unassigned — includes the residual fund balance that has not been restricted, committed, or assigned within the general fund and deficit fund balances of other governmental funds.

In the general operating fund and other governmental funds (capital projects and debt service fund types), it is CPS' policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e. committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*Net Assets*

The Statement of Net Assets includes the following:

Invested in Capital Assets, net of Related Debt — the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Debt Service — the component of net assets that reports the difference between assets and liabilities of the Debt Service Fund that consists of assets with constraints placed on their use by creditors.

Restricted for Donations and by Enabling Legislation — the component of net assets that reports the difference between assets and liabilities of the certain programs that consists of assets with constraints placed on their use by either external parties and/or enabling legislation.

Unrestricted — the difference between the assets and liabilities that is not reported as Net Assets Invested in Capital Assets, net of Related Debt, Net Assets Restricted for Specific Purpose, or Net Assets Restricted for Debt Service.

Comparative Data

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with CPS' financial statements for the year ended June 30, 2010, from which the summarized information was derived.

Management's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain items in the 2010 financial statements have been reclassified to conform to the 2011 presentation. These reclassifications had no impact on the change in net assets as previously reported.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**Budgets**

Annual Budgets are prepared on a basis consistent with accounting principles generally accepted in the United States for the General Operating, Capital Projects and Debt Service funds. All annual unencumbered appropriations lapse at fiscal year-end.

Certain funding allocations (primarily Federal and State programs, including Supplementary General State Aid) are made to schools but are not budgeted by account by the schools at the time the budget is adopted. These allocations are included in Other Fixed Charges for budget purposes. During the fiscal year, upon receiving the appropriate approvals from regional offices and the Office of Management and Budget, transfers are made to the appropriate accounts. Actual expenditures are reflected in the appropriate accounts.



NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

The appropriated budget is prepared by fund, account and unit. The legal level of budgetary control is at the account level except for school-based discretionary programs. School-based discretionary program expenditures are governed by specific program policies and procedures. Board approval is required for all funding transfers except those described above. In addition, an amended budget is required for increases in total appropriation.

The Capital Projects Fund is budgeted on a project-by-project basis. Budgeted amounts in the Capital Projects Fund represent the entire project budget for projects that were expected to commence in fiscal year 2011. Actual expenditures in the Capital Projects Fund include expenditures on projects that were budgeted in the current and prior fiscal years.

NOTE 3. PROPERTY TAXES AND STATE AID REVENUE

a. Property Taxes — CPS levies property taxes using tax levy rates established by statute and an equalized assessed valuation (EAV) estimated by CPS. The maximum billing (extension) of property taxes for the rate-limited Educational Levy in any calendar year is limited to the lesser of the tax rate established by statute multiplied by the EAV known at the time the final calendar year tax bills are calculated by the Cook and DuPage County Clerks or the tax rates established by statute multiplied by the prior year EAV. Property taxes for the levies that are not rate-limited are levied based on the estimated requirements for such funds.

As part of the annual budgetary process, CPS adopts a resolution each December in which it is determined to levy real estate taxes. This tax levy resolution imposes property taxes in terms of a dollar amount. The Truth in Taxation Law requires that notice in prescribed form must be published and a public hearing must be held if the aggregate annual levy exceeds 105% of the levy of the preceding year.

Since the 1994 levy year, CPS has been subject to the Property Tax Extension Limitation Law (PTELL). The PTELL, commonly known as the property-tax cap, is designed to limit the increases in property taxes billed for non-home rule taxing districts. The growth in a taxing district's aggregate extension base is limited to the lesser of 5% or the increase in the national Consumer Price Index (CPI) for the year preceding the levy year. The CPI used is for all urban consumers for all items as published by the U.S. Department of Labor, Bureau of Labor Statistics. This limitation can be increased for a taxing body with voter approval. The PTELL allows a taxing district to receive a limited annual increase in tax extensions on existing property, plus an additional amount for new construction. This limit slows the growth of revenues to taxing districts when property values and assessments are increasing faster than the rate of inflation.

Amounts collected in excess of the estimated net receivable for each levy year are reported as revenue in the fiscal year that the tax collections are distributed to CPS. Tax amounts collected in excess of the specified prior years' levies are recorded in the year of receipt without impacting receivable and deferred revenue balances. CPS maintains the accounts receivable, reserves for uncollectibles and deferred revenue balance on the general ledger for three tax levy years. All refunds, no matter what tax year they apply, are recorded against the property tax revenue and cash accounts in the period of occurrence or notification from the respective county treasurer.



NOTE 3. PROPERTY TAXES AND STATE AID REVENUE (continued)

Legal limitations on tax rates and the rates extended in calendar years 2011 and 2010 are shown below.

	Maximum 2011 Legal Limit	Tax Rates Extended Per \$100 of EAV	
		2011	2010
General Operating Fund:			
Educational	(A)	\$2.449	\$2.204
Workers' and Unemployment Compensation/Tort Immunity	(B)	0.067	0.148
Debt Service Fund:			
Public Building Commission Leases Program	(C)	0.065	0.014
		<u>\$2.581</u>	<u>\$2.366</u>

- A. The maximum legal limit for educational purposes cannot exceed \$4.00 per \$100 of EAV (105 ILCS 5/34-53), and the total amount billed under General Operating Fund is subject to the PTELL as described above.
- B. These tax rates are not limited by law, but are subject to the tax cap as described above.
- C. The tax cap limitation contained in the PTELL does not apply to the taxes levied by CPS to make its lease payments.

b. *State Aid* — The components of State Aid as shown on the financial statements are as follows (\$000's):

	Fund Financial Statements	Government- Wide Financial Statements
Revenues:		
General state aid unrestricted	\$ 902,412	\$ 902,412
Supplementary general state aid	261,000	261,000
General education block grant	122,660	130,416
Educational services block grant	564,989	498,919
Other restricted state revenue	98,720	99,770
Total state aid	<u>\$1,949,781</u>	<u>\$1,892,517</u>
Program Revenues:		
Operating grants and contributions		(99,770)
Non-program general state aid		<u>\$1,792,747</u>

NOTE 4. CASH DEPOSITS AND INVESTMENTS

Cash and investments held in the name of the CPS are controlled and managed by the CPS' Treasury Department; however, custody is maintained by the Treasurer of the City of Chicago, who is the designated ex-officio Treasurer of the CPS under the Illinois School Code. Custody is not maintained by the Treasurer of the City of Chicago for cash and investments in escrow, and the schools' internal accounts. The cash and investments in escrow in the Debt Service Fund represent the amount available for debt service payments on the Unlimited Tax General Obligation Bonds and Public Building Commission (PBC) Leases. The cash and investments in escrow in the Capital Projects Fund represent the unspent proceeds from the Unlimited Tax General Obligation Bonds, PBC Building Revenue Bonds and other revenues.



NOTE 4. CASH DEPOSITS AND INVESTMENTS (continued)

Cash

With the exception of school internal accounts as designated by the Board, the Municipal Code of Chicago requires that cash be deposited only in chartered banks or savings and loan associations that are on the City of Chicago's approved depository listing. The ordinances allow only regularly organized state or national banks insured by the Federal Deposit Insurance Corporation, and Federal and State savings and loan associations insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation located within the City of Chicago, to be designated depositories.

The CPS Investment Policy requires collateral with an aggregate market value of not less than 110% of the original acquisition price, including principal and accrued interest, on depository account balances and certificates of deposit unless the bank meets certain rating requirements and/or asset size. Repurchase agreement collateral shall not be less than 102%. Collateral for the CPS' bank accounts are held by a third-party custodian in the name of the City of Chicago Treasurer for the benefit of CPS. Collateral shall be only those securities authorized as allowable investments.

As of June 30, 2011, the book amount of the CPS' deposit accounts was \$12.4 million. The bank balances totaled \$39.8 million as of June 30, 2011. The difference between the book and bank balances primarily represents checks that have been issued but have not yet cleared as of June 30, 2011. The bank balance was covered by Federal Depository Insurance and by collateral held by third-party custodians.

Cash and Investments Held in School Internal Accounts, and the corresponding liability, Amounts Held for Student Activities, represent the book balance for checking and investments for individual schools.

Investments

CPS' investments are authorized under the Illinois Compiled Statutes Finance Investment Act. The CPS Investment Policy is derived from this Act. The CPS Investment Policy authorizes CPS to invest in obligations guaranteed by the full faith and credit of the U.S. Government, certificates of deposit constituting direct obligations of banks, commercial paper, money market mutual funds, repurchase agreements that mature within 330 days, certain U.S. Government agency securities, and certain State and municipal securities that are rated at the time of purchase within the two highest classifications established by a nationally recognized rating service. All mutual funds purchased invest in eligible securities outlined in the parameters of the CPS Investment Policy and meet certain other regulatory requirements.

The CPS Investment Policy contains the following stated objectives:

- Safety of Principal. Investments shall be undertaken in a manner that provides for the preservation of principal in the overall portfolio.
- Liquidity. The investment portfolio shall be sufficiently liquid to meet all reasonably anticipated operating and cash flow requirements.
- Rate of Return. The investment portfolio shall be constructed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account investment risk constraints and liquidity needs.
- Diversification. The investment portfolio shall be diversified to avoid incurring unreasonable risks associated with specific securities or financial institutions.



NOTE 4. CASH DEPOSITS AND INVESTMENTS (continued)

At June 30, 2011, CPS had the following investments (\$000's) and maturities:

Investment Type	Ratings*	Carrying Amount	Maturities Less Than 1 Year	Maturities 1-5 Years
Repurchase Agreements	AAA	\$ 42,208	\$ 42,208	\$ —
U.S. Government Agency Securities	AAA	455,891	100,692	355,199
U.S. Treasury Notes	AAA	26,335	12,000	14,335
Commercial Paper	A1 / P-1	249,905	249,905	—
Money Market Mutual Funds	AAA	1,183,672	1,183,672	—
Total Investments		<u>\$1,958,011</u>	<u>\$1,588,477</u>	<u>\$369,534</u>
Cash		12,372		
Total Cash and Investments		<u>\$1,970,383</u>		

* In August 2011, Standard and Poor's downgraded long-term U.S. debt (Government Agency Securities and Treasury Notes) from AAA to AA+.

Credit Risk — State law and the CPS Investment Policy limit investment in repurchase agreements, unless registered or inscribed in the name of the Board, to those purchased through banks or trust companies authorized to do business in the State of Illinois. State law and the CPS Investment Policy limit investment in commercial paper to the top two ratings issued by at least two standard rating services. As of June 30, 2011, CPS' investments in commercial paper were rated A1+ or A1 by Moody's Investment Service and P-1 by Standard and Poor's. As of June 30, 2011, Standard and Poor's rated CPS' investments in money market mutual funds AAA as required by the CPS Investment Policy.

Concentration of Credit Risk — As of June 30, 2011, there were no investments in any one issuer that represent 5% or more of the total investments. Investments issued by the U.S. government and investment in mutual funds are excluded from the concentration of credit risk.

Custodial Risk — During the fiscal year ended June 30, 2011, all of CPS' investments were supported by collateral with an aggregate market value equal to at least 102% of amounts invested. The collateral consisted of securities that were permissible under the CPS Investment Policy. Third-party custodians held all collateral in CPS' name.

Interest Rate Risk — The CPS Investment Policy requires maintenance of a two-tiered portfolio which limits the average maturity of the Liquidity Cash Management tier of the portfolio to six months, limits the average maturity of the Enhanced Cash Management tier of the portfolio to five years and limits the maturity of any single issue in the Enhanced Cash Management tier of the portfolio to 10 years.

The following table provides a summary of CPS' total cash and investments as of June 30, 2011 (\$000's):

Fund:	Amount
General Operating Fund	\$1,078,685
Capital Projects Fund	433,121
Debt Service Fund	458,577
Total Cash and Investments	<u>\$1,970,383</u>



NOTE 5. RECEIVABLES

Receivables as of June 30, 2011 for CPS, net of the applicable allowance for uncollectible accounts, are as follows (\$000's):

	General Operating Fund	Capital Projects Fund	Debt Service Fund	Total Fund Financial Statements	Government-Wide Financial Statements
Property taxes	\$1,070,931	\$ —	\$26,045	\$1,096,976	\$1,096,976
Replacement taxes	24,342	—	—	24,342	24,342
State aid	779,147	665	—	779,812	779,812
Federal aid	274,121	200	3,329	277,650	277,650
Other	85,647	59,053	4,880	149,580	149,580
Total Receivables	\$2,234,188	\$59,918	\$34,254	\$2,328,360	\$2,328,360
Less: Allowance for uncollectibles — property tax	(72,287)	—	(1,862)	(74,149)	(74,149)
Less: Allowance for uncollectibles — state aid	(3,842)	—	—	(3,842)	(3,842)
Less: Allowance for uncollectibles — other	(3,333)	—	—	(3,333)	(3,333)
Total Receivables, net	<u>\$2,154,726</u>	<u>\$59,918</u>	<u>\$32,392</u>	<u>\$2,247,036</u>	<u>\$2,247,036</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At June 30, 2011, the components of deferred revenue reported in the fund financial statements are as follows (\$000's):

Deferred property taxes	\$1,015,217
Other deferred revenue	743,061
Unearned revenue	17,138
Total deferred revenue	<u>\$1,775,416</u>



NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 was as follows (\$000's):

Government-wide activities:	Beginning Balance	Increases	Decreases and Transfers to In-service	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 298,209	\$ 18,810	\$ (3,253)	\$ 313,766
Construction in progress	648,166	303,716	(579,104)	372,778
Total capital assets not being depreciated	<u>\$ 946,375</u>	<u>\$ 322,526</u>	<u>\$(582,357)</u>	<u>\$ 686,544</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 7,110,516	\$ 790,159	\$ (85,303)	\$ 7,815,372
Equipment and administrative software ...	156,634	5,625	(157)	162,102
Internally developed software	3,406	1,433	—	4,839
Total capital assets being depreciated ..	<u>\$ 7,270,556</u>	<u>\$ 797,217</u>	<u>\$ (85,460)</u>	<u>\$ 7,982,313</u>
Total Capital Assets	<u>\$ 8,216,931</u>	<u>\$1,119,743</u>	<u>\$(667,817)</u>	<u>\$ 8,668,857</u>
Less accumulated depreciation for:				
Buildings and improvements	\$(2,701,219)	\$ (203,852)	\$ 73,204	\$(2,831,867)
Equipment and administrative software ...	(40,980)	(7,771)	157	(48,594)
Internally developed software	—	(1,135)	—	(1,135)
Total accumulated depreciation	<u>\$(2,742,199)</u>	<u>\$ (212,758)</u>	<u>\$ 73,361</u>	<u>\$(2,881,596)</u>
Capital Assets, net of depreciation ...	<u>\$ 5,474,732</u>	<u>\$ 906,985</u>	<u>\$(594,456)</u>	<u>\$ 5,787,261</u>

Depreciation expense was charged to functions/programs of CPS as follows (\$000's):

Governmental activities:	
Instruction	\$134,118
Pupil support services	23,086
Administrative support services	7,939
Facilities support services	18,911
Instructional support services	19,569
Food services	9,135
Total depreciation	<u>\$212,758</u>

Construction Commitments

CPS had active construction projects as of June 30, 2011. These projects include new construction and renovations of schools. At year-end, CPS had approximately \$353.7 million in outstanding construction encumbrances.



NOTE 7. INTERFUND TRANSFERS AND BALANCES

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods, without equivalent flows of assets in return. Interfund borrowings are reflected as “Due from/to Other Funds” on the accompanying governmental fund financial statements. All other interfund transfers are reported as transfers in/out.

General Operating Fund:	
Due from Capital Improvement Program	\$ 198,258
Due to Capital Asset Program	(69)
Due to Bond Redemption and Interest Program	(51,189)
Total — Due from other Funds	<u>\$ 147,000</u>
Capital Projects Fund:	
Capital Assets Program — Due from General Operating Fund	\$ 69
Capital Improvement Program — Due to General Operating Fund	(198,258)
Total — Due to other Funds	<u>\$(198,189)</u>
Debt Service Fund:	
Bond Redemption and Interest Program — Due from General Operating Fund	<u>\$ 51,189</u>

The purpose of interfund balances is to present transactions that are to be repaid between major programs at year end. The balances result from operating transactions between funds and are repaid during the fiscal year within the normal course of business.

Transfers

In fiscal year 2011, CPS transferred to the General Operating Fund \$109.8 million of debt restructuring savings from the Bond Redemption and Interest Program and \$0.02 million of interest earnings from the PBC Leases program. In addition, CPS also made an operating transfer of \$0.16 million from the Debt Service Fund to the Capital Projects Fund to return excess capitalized interest.

NOTE 8. LONG-TERM DEBT

General Obligation Bonds

CPS issued the following bonds in fiscal year 2011:

Unlimited Tax General Obligation Refunding Bonds (Series 2010C)

In October 2010, CPS issued \$257.1 million in Unlimited Tax General Obligation Qualified School Construction Bonds (Series 2010C). The proceeds from these bonds are being used as part of CPS’ Capital Improvement Program and to pay costs of issuance of the bonds. As a result of the issuance, CPS recorded net proceeds of \$255.2 million in the Capital Improvement Fund. The debt service on this issuance will be paid from General State Aid revenues.

Unlimited Tax General Obligation Bonds Taxable Build America Bonds (Series 2010D)

In October 2010, CPS issued \$125 million in Unlimited Tax General Obligation Taxable Build America Bonds (Series 2010D). The proceeds from these bonds are being used as part of CPS’ Capital Improvement Program and to pay costs of issuance of the bonds. As a result of the issuance, CPS recorded net proceeds of \$124.1 million in the Capital Improvement Fund. The debt service on this issuance will be paid from General State Aid revenues and Federal interest subsidy payments.

NOTE 8. LONG-TERM DEBT (continued)

Unlimited Tax General Obligation Refunding Bonds (Series 2010FG)

In October 2010, CPS issued \$256.7 million in Unlimited Tax General Obligation Refunding Bonds (Series 2010FG) at a premium of \$14.7 million. The proceeds from these bonds are being used to refund the Series 1996, Series 1997, Series 2000A, Series 2000BCD, Series 2001A, Series 2001C, Series 2003A, Series 2004A, Series 2006B, Series 2007D, Series 2008B, Series 2009C, Series 2009D and Series 2009F bonds. As a result of the issuance, \$269.5 million was deposited in a trust to refund the bonds. The debt service on this issuance will be paid from General State Aid revenues.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$17.7 million. This difference reported in the accompanying financial statements as a deduction from bonds payable is being charged to operations over the life of the refunding or refunded bonds, whichever is shorter. The refunding bonds were issued primarily to provide budget relief to CPS' General Operating Fund by deferring principal payments. However, a portion of the refunding was for economic savings. Accordingly, the refunding resulted in an overall economic gain of \$1.4 million.



NOTE 8. LONG-TERM DEBT (continued)

Following is a summary of changes in long-term debt outstanding (\$000's):

Series	Original Amount Issued	Debt Purpose	Interest Rate	Final Maturity	Principal Outstanding June 30, 2010	Accreted Interest
2010G	\$ 72,915	Refunding	2.77% to 4.18%	12/1/2017	\$ —	\$ —
2010F	183,750	Refunding	5.00%	12/1/2031	—	—
2010D	125,000	Capital Improvement	6.52%	3/1/2036	—	—
2010C	257,125	Capital Improvement	6.32%	11/1/2029	—	—
2010B	157,055	Refunding	Variable	3/1/2036	157,055	—
2010A	48,910	Refunding	Variable	3/1/2035	48,910	—
2009G	254,240	Capital Improvement	1.75%	12/15/2025	254,240	—
2009F	29,125	Capital Improvement	2.50% to 5.00%	12/1/2016	29,125	—
2009E	518,210	Capital Improvement	4.682% to 6.14%	12/1/2039	518,210	—
2009D	75,720	Refunding	1.00% to 5.00%	12/1/2023	71,380	—
2009C	20,265	Refunding	Variable	—	13,815	—
2009B	75,410	Refunding	Variable	3/1/2031	75,410	—
2009A	130,000	Refunding	Variable	3/1/2026	130,000	—
2008C	464,655	Refunding	4.25% to 5.00%	12/1/2032	464,655	—
2008B	240,975	Refunding	Variable	3/1/2034	231,050	—
2008A	262,785	Refunding	Variable	12/1/2030	262,785	—
2007D	238,720	Capital Improvement	4.00% to 5.00%	12/1/2029	226,190	—
2007BC	204,635	Refunding	4.125% to 5.00%	12/1/2024	204,035	—
2006B	355,805	Capital Improvement	4.25% to 5.00%	12/1/2036	340,975	—
2006A	6,853	Capital Improvement	0.00%	6/1/2021	6,853	—
2005B	52,595	Refunding	5.00% to 5.50%	12/1/2021	52,595	—
2005A	193,585	Refunding	5.00% to 5.50%	12/1/2031	193,585	—
2004G	12,500	Capital Improvement	4.00% to 6.00%	12/1/2022	12,500	—
2004A	205,410	Refunding	4.00% to 5.00%	12/1/2020	205,410	—
2003C	4,585	Capital Improvement	0.00%	10/27/2017	4,585	—
2003A	75,890	Capital Improvement	2.50% to 5.25%	12/1/2016	47,945	—
2002A	48,970	Capital Improvement	3.00% to 5.25%	12/1/2022	44,365	—
2001C	217,260	Capital Improvement	5.00% to 5.50%	12/1/2031	15,075	—
2001B	9,440	Capital Improvement	0.00%	10/23/2015	9,440	—
2001A	45,110	Capital Improvement	4.00% to 5.75%	12/1/2031	2,990	—
2000E	13,390	Capital Improvement	0.00%	12/18/2013	13,390	—
2000BCD	303,000	Capital Improvement	Variable	3/1/2032	299,400	—
2000A	106,960	Capital Improvement	5.10% to 6.00%	12/1/2031	14,160	—
IDFA 1999A	12,000	Capital Improvement	0.00%	12/21/2011	12,000	—
1999A	532,553	Capital Improvement/ Refunding	4.30% to 5.30%	12/1/2031	504,688	210,007
1998B-1	328,714	Capital Improvement	4.55% to 5.22%	12/1/2031	310,889	251,113
1998	14,000	Capital Improvement	0.00%	9/23/2011	14,000	—
1997A	499,995	Capital Improvement	5.30% to 5.55%	12/1/2030	37,985	36,415
1997	500,000	Capital Improvement	5.08% to 6.75%	—	39,245	—
1996	350,000	Capital Improvement	4.80% to 6.25%	—	35,575	—
Total Bonds					\$4,904,510	\$497,535
Less Current Portion						
Deferred Amounts:						
On Refunding						
For Net Premium/ (Discount)						
Total Long-term Debt, net of Current Portion and Premium/Discount						



NOTE 8. LONG-TERM DEBT (continued)

Principal and Accreted Interest June 30, 2010	Issuances	Retirements	Principal Outstanding June 30, 2011	Accreted Interest	Principal and Accreted Interest June 30, 2011
\$ —	\$ 72,915	\$ —	\$ 72,915	\$ —	\$ 72,915
—	183,750	—	183,750	—	183,750
—	125,000	—	125,000	—	125,000
—	257,125	—	257,125	—	257,125
157,055	—	—	157,055	—	157,055
48,910	—	—	48,910	—	48,910
254,240	—	—	254,240	—	254,240
29,125	—	(5,375)	23,750	—	23,750
518,210	—	—	518,210	—	518,210
71,380	—	(8,170)	63,210	—	63,210
13,815	—	(13,815)	—	—	—
75,410	—	—	75,410	—	75,410
130,000	—	—	130,000	—	130,000
464,655	—	—	464,655	—	464,655
231,050	—	(16,875)	214,175	—	214,175
262,785	—	—	262,785	—	262,785
226,190	—	(22,325)	203,865	—	203,865
204,035	—	(320)	203,715	—	203,715
340,975	—	(20,200)	320,775	—	320,775
6,853	—	—	6,853	—	6,853
52,595	—	—	52,595	—	52,595
193,585	—	—	193,585	—	193,585
12,500	—	—	12,500	—	12,500
205,410	—	(2,990)	202,420	—	202,420
4,585	—	—	4,585	—	4,585
47,945	—	(41,150)	6,795	—	6,795
44,365	—	(1,825)	42,540	—	42,540
15,075	—	(15,075)	—	—	—
9,440	—	—	9,440	—	9,440
2,990	—	(2,990)	—	—	—
13,390	—	—	13,390	—	13,390
299,400	—	(14,200)	285,200	—	285,200
14,160	—	(14,160)	—	—	—
12,000	—	—	12,000	—	12,000
714,695	—	(23,020)	481,668	217,600	699,268
562,002	—	(16,843)	294,046	267,035	561,081
14,000	—	—	14,000	—	14,000
74,400	—	—	37,985	40,500	78,485
39,245	—	(39,245)	—	—	—
35,575	—	(35,575)	—	—	—
<u>\$5,402,045</u>	<u>\$638,790</u>	<u>\$(294,153)</u>	<u>\$5,249,147</u>	<u>\$525,135</u>	<u>\$5,774,282</u>
.....					(76,548)
.....					(106,996)
.....					98,986
.....					<u>\$5,689,724</u>



NOTE 8. LONG-TERM DEBT (continued)

The current portion of long-term debt and long-term lease obligations is comprised of the following:

Bonds	\$ (57,871)
Accreted interest	(25,729)
Refunding	<u>7,052</u>
Subtotal	\$ (76,548)
Lease obligations	<u>(30,770)</u>
Total current portion	<u><u>\$(107,318)</u></u>

The Unlimited Tax General Obligation Bonds are being repaid in the Debt Service Fund from Replacement Tax revenue, revenue from Intergovernmental Agreements with the City of Chicago, and General State Aid to the extent possible, and then from a separate tax levy associated with the bonds.

Defeased Debt

Defeased bonds have been removed from the Statement of Net Assets because related assets have been placed in an irrevocable trust that, together with interest earned, will provide amounts sufficient for payment of all principal and interest. Defeased bonds at June 30, 2011 are as follows (\$000's):

<u>Description</u>	<u>Amount Defeased</u>	<u>Amount Outstanding*</u>
Unlimited Tax General Obligation Bonds Series 1996	\$ 24,430	\$ 24,430
Unlimited Tax General Obligation Bonds Series 1997	27,010	27,010
Unlimited Tax General Obligation Bonds Series 2001A ...	37,855	37,855
Unlimited Tax General Obligation Bonds Series 2001C ...	184,880	184,880
Unlimited Tax General Obligation Bonds Series 2003A ...	35,250	35,250
Unlimited Tax General Obligation Refunding Bonds Series 2004A	2,990	2,990
Unlimited Tax General Obligation Bonds Series 2004F ...	25,000	25,000
Unlimited Tax General Obligation Bonds Series 2004H ...	18,500	18,500
Unlimited Tax General Obligation Bonds Series 2005C ...	53,750	46,450
Unlimited Tax General Obligation Refunding Bonds Series 2006B	13,770	13,770
Unlimited Tax General Obligation Bonds Series 2007D ...	15,175	15,175
Unlimited Tax General Obligation Refunding Bonds Series 2009D	8,170	8,170
Unlimited Tax General Obligation Refunding Bonds Series 2009F	5,375	5,375
Total	<u><u>\$452,155</u></u>	<u><u>\$444,855</u></u>

* The amount outstanding represents the principal amount of the defeased bonds to be paid by the irrevocable trust at a future maturity date.



NOTE 8. LONG-TERM DEBT (continued)

Future debt and associated swap payments (see Note 10). Interest rates on fixed rate bonds range from 1.75% to 6.75%, except that CPS does not pay or accrue interest on the Series 2006A Bonds, the Series 2003C Bonds, the Series 2001B Bonds, the Series 2000E Bonds, the IDFA Series 1999A Bonds and the Series 1998 Bonds. These bond series were issued as “qualified zone academy bonds” within the meaning of Section 1397E of the Internal Revenue Code of 1986, as amended. CPS does not pay interest on the bonds, however, for federal income tax purposes, “eligible taxpayers,” as defined in Section 1397E of the Internal Revenue Code, who own these bonds will be entitled to a credit against taxable income. Interest rates on unhedged variable rate bonds assume the debt service deposit requirement rate and net swap payments assume that variable rates as of June 30, 2011 remain the same through their term. Debt service requirements for the Unlimited Tax General Obligation Bonds and net swap payments are scheduled as follows (\$000’s):

Fiscal Year(s)	Fixed Rate Bonds		Variable Rate Bonds			Total
	Principal	Interest	Principal	Interest*	Interest Rate Swaps, Net**	
2012	\$ 57,871	\$ 199,503	\$ —	\$ 19,921	\$ 36,456	\$ 313,751
2013	33,578	204,234	7,395	19,884	36,456	301,547
2014	128,272	208,023	19,360	19,782	36,195	411,632
2015	136,527	205,772	21,015	19,384	35,924	418,622
2016	138,586	202,925	22,605	18,979	35,642	418,737
2017-2021	776,565	952,609	141,165	85,794	171,818	2,127,951
2022-2026	1,109,929	888,372	250,820	63,934	153,628	2,466,683
2027-2031	1,003,603	844,415	512,580	31,413	90,810	2,482,821
2032-2036	393,611	305,017	198,595	1,881	17,129	916,233
2037-2041	297,070	48,408	—	—	—	345,478
Total	\$4,075,612	\$4,059,278	\$1,173,535	\$280,972	\$614,058	\$10,203,455

* Interest on Series 2000BCD unhedged variable rate demand notes was calculated at an assumed rate of 6.0% per annum, (equals annual debt service deposit requirements); Interest on hedged variable rate demand notes assume current interest rates remain the same as of June 30, 2011, and was calculated as follows:

Series 2000C — 2.7500%
 Series 2008A — 0.9410%
 Series 2008B — 0.9410%
 Series 2009A — 0.0684%
 Series 2009B — 0.0640%
 Series 2010A — 0.0640%
 Series 2010B — 0.0640%

** Series 2000C computed: (3.823% — 0.129885%) x Outstanding Principal
 Series 2008A computed: (3.771% — 0.129885%) x Outstanding Principal
 Series 2008B computed: (5.250% — 0.409885%) x Outstanding Principal
 Series 2009A computed: (3.6617% — 0.129885%) x Outstanding Principal
 Series 2009B computed: (3.825% — 0.129885%) x Outstanding Principal
 Series 2010A computed: (3.825% — 0.129885%) x Outstanding Principal
 Series 2010B computed: (3.6617% — 0.129885%) x Outstanding Principal



NOTE 8. LONG-TERM DEBT (continued)

Variable rate bonds are demand obligations that allow bondholders to demand repayment on a weekly basis. The \$303,000,000 Series 2000BCD bonds are supported by Standby Bond Purchase Agreements with Dexia Credit Locale which expire on December 8, 2012. Under the Standby Bond Purchase Agreements, any bonds put to the bank would incur an interest rate equal to the Prime Rate as listed in the Wall Street Journal through December 8, 2012, at the Prime Rate plus 1.0% thereafter, and at the Prime Rate plus 2.0% in the event of a default, but in no case may the rate exceed 15%. The commitment fee is 0.125% per annum for the Series 2000BCD bonds and at June 30, 2011 there were no bonds drawn under the Standby Bond Purchase Agreement. The scheduled maturity of the bonds will not change if the Standby Purchase Agreements are not renewed.

The \$65,000,000 Series 2009A-1 are supported by a Letter of Credit Facility with Harris Bank NA and \$65,000,000 Series 2009A-2 are supported by The Northern Trust Company both expire on March 17, 2012. Under the Letter of Credit Agreements, any bonds put to the bank would incur an interest rate equal to the greater of the Prime Rate, Federal Funds Rate plus $\frac{1}{2}$ of 1%, and Libor Quoted Rate plus 1% (the Base Rate) for the first 7 days. For the 8th through 90th day interest would incur at the Base Rate plus 1.0%, for the 91st through 180th day interest would incur at the Base Rate plus 2.0% and thereafter, or in the event of default, the interest rate is the greater of the Prime Rate, Federal Funds Rate plus $\frac{1}{2}$ of 1%, and Libor Quoted Rate plus 1%, plus 3.00% for the first 180 days, thereafter at the maximum rate allowed under Illinois law not to exceed 15% per annum. The commitment fee is 0.85% per annum for the Series 2009A bonds and at June 30, 2011 there were no bonds drawn under the Letter of Credit Agreements. The scheduled maturity of the bonds will not change in any event.

The \$75,410,000 Series 2009B is supported by a Letter of Credit Facility with US Bank which expires on June 24, 2012 for Series 2009B. Under the Letter of Credit Agreements, any bonds put to the bank would incur an interest rate equal to the greater of the Prime Rate and Libor Quoted Rate plus 2% (the Base Rate) for the first 89 days. For the 90th through 179th day interest would incur at the Base rate plus 3.5%, and for the 180th day and thereafter at the maximum rate allowed under Illinois law, not to exceed 15% per annum. In the event of default, the interest rate would be the Base Rate, plus 5.5% for the first 180 days; thereafter at the maximum rate allowed under Illinois law, not to exceed 15% per annum. The commitment fee is 1.55% per annum for the Series 2009B bonds, and at June 30, 2011 there were no bonds drawn under the Letter of Credit Agreements. The scheduled maturity of the bonds will not change in any event.

The \$48,910,000 Series 2010A and \$157,055,000 Series 2010B are supported by a Letter of Credit Facility with JP Morgan Bank which expires on February 17, 2013 for Series 2010AB. Under the Letter of Credit Agreements, any bonds put to the bank would incur an interest rate equal to the greater of the Prime Rate plus 1.50%, the Federal Funds Rate plus 2.0% or 5.0% for the first 90 days. For the 91st day and thereafter interest would incur at the greater of the Prime Rate plus 2.5%, the Federal Funds Rate plus 3.0% or 7.50%. In the event of default, the interest rate would be the greater of the Prime Rate, plus 2.50%, Federal Funds rate plus 3.00% or 7.50% and in each case plus 3.00%; but in no case may the rate exceed the maximum rate allowed under Illinois law, not to exceed 15% per annum. The commitment fee is 1.25% per annum for the Series 2010AB bonds and at June 30, 2011 there were no bonds drawn under the Letter of Credit Agreements. The scheduled maturity of the bonds will not change in any event.



NOTE 8. LONG-TERM DEBT (continued)

Interest and maturities include accretible interest on the Capital Appreciation Bonds as follows (\$000's):

<u>Series</u>	<u>Accreted Interest June 30, 2010</u>	<u>Increase</u>	<u>Payment</u>	<u>Accreted Interest June 30, 2011</u>
1997A	\$ 36,415	\$ 4,085	\$ —	\$ 40,500
1998B-1	251,113	28,443	(12,521)	267,035
1999A	210,007	23,884	(16,291)	217,600
	<u>\$497,535</u>	<u>\$56,412</u>	<u>\$(28,812)</u>	<u>\$525,135</u>

NOTE 9. LEASE OBLIGATIONS*Capitalized Leases*

Annual rental payments are made pursuant to lease agreements with the Public Building Commission (the PBC). The PBC constructs, rehabilitates and equips school buildings and facilities for use by the CPS. The annual lease rentals are funded by a tax levy established when CPS approved such construction.

The leases are structured so that annual rentals will exceed the PBC's requirements for debt service and other estimated expenses. This ensures that the PBC will receive adequate revenue to cover these obligations. The PBC can authorize rent surpluses to be used either to reduce future rental payments or to finance construction of other CPS projects.

In 2006, CPS entered into a \$3.7 million lease with an option to purchase with the Teachers Academy of Math and Science. The assets acquired under this lease are land and building at a cost of \$0.7 million and \$3 million, respectively. The term of the lease commenced October 1, 2005 and shall end February 1, 2021. This end date represents the maturity date of bonds issued for the premises by the Illinois Development Finance Authority. Debt service includes principal and interest and all other costs associated with these bonds. Additionally, CPS will assume all operating costs and personnel costs of the premises.

The future PBC lease rentals and other capitalized leases due at June 30, 2011, are as follows (\$000's):

<u>Fiscal Year(s)</u>	<u>PBC Lease Rentals</u>	<u>Other</u>	<u>Total</u>
2012	\$ 51,926	\$ 424	\$ 52,350
2013	51,963	424	52,387
2014	51,981	424	52,405
2015	52,029	424	52,453
2016	51,997	424	52,421
2017-2021	<u>186,823</u>	<u>1,989</u>	<u>188,812</u>
Total rentals	\$ 446,719	\$ 4,109	\$ 450,828
Less — Interest and other costs	<u>(116,344)</u>	<u>(2,009)</u>	<u>(118,353)</u>
Principal amount of rental due	<u>\$ 330,375</u>	<u>\$ 2,100</u>	<u>\$ 332,475</u>



NOTE 9. LEASE OBLIGATIONS (continued)

Following is a summary of changes in PBC leases and other capitalized leases outstanding (\$000's):

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2011</u>
PBC leases	\$359,215	\$—	\$(28,840)	\$330,375
Other capitalized leases	2,275	—	(175)	2,100
	<u>\$361,490</u>	<u>\$—</u>	<u>\$(29,015)</u>	<u>\$332,475</u>
Less: Current portion PBC leases				(30,595)
Current portion other capitalized leases				(175)
Total long-term leases outstanding				<u>\$301,705</u>

Operating Leases

CPS is a lessee in numerous operating leases associated with the rental of trucks, automobiles, various office equipment and real property. The lease arrangements are both cancelable and non-cancelable with some having structured rent increases. None of the operating leases are considered to be contingent leases.

Total expenditures for operating leases for the fiscal year ending June 30, 2011 were \$18.2 million. Following is a summary of operating lease commitments as of June 30, 2011 (000's):

<u>Fiscal Year(s)</u>	<u>Non-real property leases</u>	<u>Real property leases</u>	<u>Total</u>
2012	\$ 7,412	\$10,565	\$17,977
2013	4,728	9,992	14,720
2014	2,452	9,779	12,231
2015	705	8,665	9,370
2016	58	3,310	3,368
2017-2021	—	12,518	12,518
2022-2026	—	3,992	3,992
Total operating lease commitments	<u>\$15,355</u>	<u>\$58,821</u>	<u>\$74,176</u>

NOTE 10. DERIVATIVE INSTRUMENTS

Interest Rate Swaps

GASB 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments associated with changing financial and commodity prices result in changing cash flows and fair values that can be used as effective risk management or investment tools. Derivative instruments, however, also can expose governments to significant risks and liabilities. The guidance in GASB 53 improves financial reporting by requiring governments to measure derivative instruments at fair value in their economic resources measurement focus financial statements. These improvements should allow users of those financial statements to more fully understand a government's resources available to provide services. The changes in fair value of hedging derivative instruments do not affect investment revenue but are reported as deferrals. On the other hand, the changes in fair value of investment derivative instruments (which include ineffective hedging derivative instruments) using mark-to-market accounting are reported as part of investment revenue or expense in the current reporting period.

NOTE 10. DERIVATIVE INSTRUMENTS (continued)**Interest Rate Derivatives**

CPS has ten interest rate swaps as of June 30, 2011. Interest rate swaps are classified as hedging derivative instruments, if the hedging instruments meet the criteria of paragraph 27 a and b of GASB 53, or are classified as investment derivative instruments. The following table summarizes the interest rate swaps outstanding as of the end of the period: (\$000's)

Type	Potential Hedging Derivative Notional amount	Trade Date	Effective Date	Termination Date	Counterparty
Pay Fixed Swap	\$ 61,100	02/13/2007	03/01/2007	03/01/2032	Royal Bank of Canada
Pay Fixed Swap	100,000	08/18/2005	12/01/2007	12/01/2030	Bank of America, N.A.
Pay Fixed Swap	162,785	11/16/2006	12/01/2007	12/01/2028	Royal Bank of Canada
Pay Fixed Swap	90,000	12/08/2003	12/12/2003	03/01/2034	Goldman Sachs Capital Markets, L.P.
Pay Fixed Swap	95,350	12/08/2003	12/12/2003	03/01/2034	Goldman Sachs Bank USA
Pay Fixed Swap	130,000	11/30/2005	12/08/2005	03/01/2026	Loop Financial Products I LLC
Pay Fixed Swap	124,320	02/13/2007	03/01/2007	03/01/2035	Royal Bank of Canada
Pay Fixed Swap	157,055	11/30/2005	12/08/2005	03/01/2036	Loop Financial Products I LLC
Basis Swap	116,151	10/05/2005	11/01/2005	12/01/2031	Loop Financial Products I LLC
Basis Swap	77,434	10/05/2005	11/01/2005	12/01/2031	Merrill Lynch Capital Services, Inc.

Evaluation of Hedge Effectiveness

GASB 53 includes four methods for evaluating hedge effectiveness. A governmental entity can use any evaluation method outlined in the Statement and is not limited to using the same method from period to period. The four methods described in GASB 53 are consistent critical terms, synthetic instrument, dollar-offset, and regression analysis. In addition, GASB 53 allows a governmental entity to use other quantitative methods that are based on "established principles of financial economic theory". CPS' derivatives have been evaluated by an independent third-party vendor, using the four methods mentioned in the Statement and the results are summarized below:

Hedging Derivative Instruments	Results
Consistent Critical Terms Method: . . .	All derivatives failed
Synthetic Instrument Method:	All derivatives failed
Dollar-Offset Method:	All derivatives failed
Regression Analysis Method:	Passed: \$61.1M Swap, \$100M Swap, \$162.785M Swap, \$90M Swap, \$95.35M Swap, \$130M Swap, \$124.32M Swap, \$157.055M Swap. Failed: \$116.2M Basis swap, \$77.4M Basis swap

As of June 30, 2011, eight of ten potential hedging derivatives are effective hedges under GASB 53. The Basis Swaps do not meet the criteria of paragraph 27 b and are classified according to GASB 53 as investment derivatives and therefore are marked to market at each report date with change in fair value reported as part of investment revenue or expense.



NOTE 10. DERIVATIVE INSTRUMENTS (continued)

The table below summarizes derivative instrument activity during the reporting period and balances at the end of the period (debit / (credit)): (\$000's)

	Notional	Changes in Fair Value		Fair Value at June 30, 2011	
		Classification	Amount	Classification	Amount
Governmental activities					
Cash flow hedges:					
Pay-fixed swap	\$ 61,100	Deferred outflow	\$ (2,292)	Liabilities	\$ (9,054)
Pay-fixed swap	100,000	Deferred outflow	(4,194)	Liabilities	(16,109)
Pay-fixed swap	162,785	Deferred outflow	(5,983)	Liabilities	(26,919)
Pay-fixed swap	90,000	Deferred outflow	(2,992)	Liabilities	(12,584)
Pay-fixed swap	95,350	Deferred outflow	(3,169)	Liabilities	(13,332)
Pay-fixed swap	130,000	Deferred outflow	(2,446)	Liabilities	(14,649)
Pay-fixed swap	124,320	Deferred outflow	(5,013)	Liabilities	(18,916)
Pay-fixed swap	157,055	Deferred outflow	(6,583)	Liabilities	(20,742)
Total:	\$920,610		\$(32,672)		\$(132,305)
Investment derivatives:					
Basis swap	\$116,151	Investment earnings	\$ (2,038)	Asset	\$ 498
Basis swap	77,434	Investment earnings	(1,664)	Liabilities	(876)
Total:	\$193,585		\$ (3,702)		\$ (378)

The fair values of the interest rate swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps. At the end of the period, \$133.2 million are recorded as Derivative Instrument Liability, \$0.5 million as Derivative Instrument, and \$132.3 million as Deferred Outflow.



NOTE 10. DERIVATIVE INSTRUMENTS (continued)

The objectives and terms of CPS' eight hedging derivatives outstanding at the end of the period are below:

Type	Objective	Notional Amount (000's)	Trade Date	Termination Date	Terms	Counterparty Credit Rating
Pay-fixed interest rate swap	Hedge a portion of changes in cash flows on 2000C bonds	\$ 61,100	02/13/2007	03/01/2032	Pay 3.823% Receive 1ML* x 70%	Aa1/AA-
Pay-fixed interest rate swap	Hedge a portion of changes in cash flows on 2008A bonds	100,000	08/18/2005	12/01/2030	Pay 5.25% Receive 1ML x 70% + 0.28%	Aa3/A+
Pay-fixed interest rate swap	Hedge a portion of changes in cash flows on 2008A bonds	162,785	11/16/2006	12/01/2028	Pay 5.25% Receive 1ML x 70% + 0.28%	Aa1/AA-
Pay-fixed interest rate swap	Hedge a portion of changes in cash flows on 2008B bonds	90,000	12/08/2003	03/01/2034	Pay 3.771% Receive 1ML x 70%	Aa3/NR
Pay-fixed interest rate swap	Hedge a portion of changes in cash flows on 2008B bonds	95,350	12/08/2003	03/01/2034	Pay 3.771% Receive 1ML x 70%	Aa3/NR
Pay-fixed interest rate swap	Hedge interest rate risk on 2009A-1 and 2009A-2 bonds	130,000	11/30/2005	03/01/2026	Pay 3.6617% Receive 1ML x 70%	Aa3/A+
Pay-fixed interest rate swap	Hedge interest rate risk on 2009B and 2010A bonds	124,320	02/13/2007	03/01/2035	Pay 3.825% Receive 1ML x 70%	Aa1/AA-
Pay-fixed interest rate swap	Hedge interest rate risk on 2010B bonds	157,055	11/30/2005	03/01/2036	Pay 3.6617% Receive 1ML x 70%	Aa3/A+

* 1ML — One month London Interbank Offered Rate (LIBOR)

Credit Risk

As of June 30, 2011, all hedging derivatives are liabilities and associated credit risk is not considered material. All of CPS' interest rate swap counterparties are currently rated A or higher by Fitch and/or S&P, and A2 or higher by Moody's. CPS manages credit risk by requiring its counterparties to post collateral in certain events. CPS is entitled to collateral from its counterparties if a net position with a counterparty is an asset of \$25 million or more and the counterparty is rated below AA by Fitch and/or S&P, or Aa3 by Moody's; CPS is not required to post collateral. CPS enters into derivative agreements with multiple counterparties to limit concentration of credit risk. Currently, CPS has interest rate swaps with five different counterparties and no counterparty accounts for more than 37% of outstanding notional. CPS monitors counterparty credit risk on an ongoing basis.

Interest Rate Risk

All hedging derivatives are pay-fixed, receive-variable, cash flow hedges hedging a portion of CPS' variable rate debt. CPS believes it has significantly reduced interest rate risk attributable to the principal amount being hedged by entering into interest rate swaps.

Basis Risk

With the exception of Series 2008A and Series 2008B indexed bonds (private placements), the variable rate debt hedged by CPS' derivatives are variable rate demand obligation (VRDO) bonds that



NOTE 10. DERIVATIVE INSTRUMENTS (continued)

are remarketed daily or weekly. With the exception of the Series 2008 indexed bonds, CPS is exposed to basis risk because the variable rate receipts from the hedging derivatives are based on a rate or index other than the interest rates CPS pays on the VRDO bonds. CPS is exposed to basis risk to the degree that variable payments on the hedged item are not offset by the variable receipts from the hedging derivative. There is little basis risk on the hedged portion of the 2008 indexed bonds because the hedged variable payments are based on the same index, 1-Month LIBOR, as the variable receipts from the hedging derivative. For the period, the weighted average interest rate on CPS' variable rate debt is 0.25%, Securities Industry and Financial Markets Association (SIFMA) is 0.25%, and 70% of 1-Month LIBOR is 0.18%.

Termination Risk

CPS or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract. In addition, CPS' swap counterparties have the right to terminate a derivative if the credit rating of CPS' unenhanced, unlimited tax general obligation bonds is withdrawn or reduced by any two of Fitch, Moody's, and S&P below BBB in the case of Fitch or S&P, or Baa2 in the case of Moody's. If such an event occurs, CPS could be forced to terminate a derivative in a liability position. As of the date of this report, CPS' unenhanced, unlimited tax general obligation bonds are rated AA- by Fitch and S&P, and Aa2 by Moody's.

Rollover Risk

Rollover risk is the risk that a hedging derivative instrument associated with a hedgeable item does not extend to the maturity of that hedgeable item. As of June 30, 2011, rollover risk is not considered material.

Foreign Currency Risk

All hedging derivatives are denominated in US Dollars and therefore CPS is not exposed to foreign currency risk.

Other Investment Derivatives

As of June 30, 2011, CPS had investments with the following maturities (000's):

Investment Type	Fair Value	Maturities Less than 1 Year	Maturities 1-5 Years	Maturities 6-10 Years	Maturities More Than 10 Years
Investment derivative instrument	\$ 498	—	\$15,783	\$19,422	\$80,946
Investment derivative instrument	\$(876)	—	10,522	12,948	53,964

The objectives and terms of CPS' two investment derivatives outstanding at the end of the period are below:

Type	Objective	Notional Amount (000's)	Trade Date	Termination Date	Terms	Counterparty Credit Rating
Basis swap	Reduce interest expense and change cash flows on 2005A fixed rate bonds	\$116,151	10/05/2005	12/01/2031	Pay SIFMA Receive 1ML x 70% + .524%	Aa3A+
Basis swap	Reduce interest expense and change cash flows on 2005A fixed rate bonds	77,434	10/05/2005	12/01/2031	Pay SIFMA Receive 1ML x 80.76%	A2/A

NOTE 11. OTHER BENEFITS AND CLAIMS

The following is a summary of changes to other long-term liabilities (\$000's)

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2011</u>
Accrued sick pay benefits	\$334,968	\$187,947	\$ (63,092)	\$459,823
Accrued vacation pay benefits	75,508	2,135	(11,254)	66,389
Accrued workers' compensation claims	103,676	31,841	(25,782)	109,735
Accrued general and automobile claims	5,531	1,286	(1,474)	5,343
Tort liabilities and other claims	2,500	—	(500)	2,000
Total	<u>\$522,183</u>	<u>\$223,209</u>	<u>\$(102,102)</u>	<u>\$643,290</u>
Less: Current portion of accrued sick pay benefits				(53,529)
Less: Current portion of accrued vacation pay benefits				(10,660)
Less: Current portion of accrued workers' compensation claims				(27,417)
Less: Current portion of accrued general and automobile claims				(1,226)
Total long-term other benefits and claims				<u>\$550,458</u>

The following is activity related to workers' compensation claims and general and automobile claims (\$000's):

<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2011</u>
<u>\$100,791</u>	<u>\$36,676</u>	<u>\$(28,260)</u>	<u>\$109,207</u>	<u>\$33,127</u>	<u>\$(27,256)</u>	<u>\$115,078</u>

Sick Pay Benefits

CPS provides sick pay benefits for substantially all of its employees. Eligible employees can accumulate a maximum of 320 days. If an employee either reaches age 65; has a minimum of 20 years of service at the time of resignation or retirement, or dies, the employee is entitled to receive, as additional cash compensation, all or a portion of their accumulated sick leave days. The CPS budgets an amount each year in the General Operating Fund for these estimated payments to employees terminated in the current fiscal year.

Vacation Pay Benefits

For eligible employees, the maximum number of accumulated unused vacation days permitted is 40 days for those employees with up to 10 years of service; 53 days for those with 11 to 20 years of service; and 66 days for those with more than 20 years of service. Eligible employees are entitled to receive 100% of accumulated vacation days at their current salary rate. These amounts will be liquidated from the General Operating Fund.

Workers' Compensation, General and Automobile and Tort Liabilities and Other Claims

CPS is substantially self-insured and assumes risk of loss as follows:

CPS maintains commercial excess property insurance for "all risks" of physical loss or damage with limits of \$250,000,000 and Boiler & Machinery Insurance with limits of \$100,000,000 with the following deductibles:

Data processing equipment and media	\$ 25,000
Mechanical breakdown	\$ 50,000
All other losses	\$500,000

During fiscal years 2011, 2010 and 2009 there were no claims made in excess of the self-insured amount and there has been no significant reduction in insurance coverage over the past three fiscal years.



NOTE 11. OTHER BENEFITS AND CLAIMS (continued)

CPS maintains commercial excess liability insurance with limits of \$75,000,000 in excess of a \$5,000,000 self-insured retention per loss for claims arising from: General Liability, Automotive Liability, Employers Liability and Wrongful Acts.

As discussed in Note 14, there are pending workers' compensation and tort claims involving the CPS which have arisen out of the ordinary conduct of business. CPS budgets an amount each year in the Workers' and Unemployment Compensation/Tort Immunity Fund for the estimated claims, of which the expenditures are met through an annual tax levy.

CPS' estimate of liabilities for workers' compensation claims, general and automobile claims and tort claims is based on reserves established by the respective trial attorneys or the claims administrators. CPS accrues for the estimated workers' compensation, general and automobile claims and tort claims in the General Operating Fund where there is a likelihood that an unfavorable outcome is probable and that expenditures will be liquidated with expendable available financial resources.

CPS is self-insured for workers' compensation claims and certain employee health insurance costs (reimbursed to a provider on a cost plus fees basis). A liability of \$56 million has been recorded for health insurance costs and is reported as part of accrued payroll and benefits in the General Operating Fund, which includes \$34 million for estimated medical claims incurred but not reported as of June 30, 2011. Following is the activity related to medical claims for which CPS is self-insured (\$000's):

<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2011</u>
\$54,040	\$347,719	\$(346,842)	\$54,917	\$359,527	\$(358,902)	\$55,542

NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS

Pension — Certified Teachers and Administrators

Pension benefits for certified teachers and administrators are provided under a defined benefit cost-sharing multiple employer plan administered by the Public School Teachers' Pension and Retirement Fund of Chicago (the "Pension Fund") in which the CPS is the sole contributor. There are no assets of the CPS included in the Pension Fund. Copies of the Pension Fund Annual Report are available by contacting the Public School Teachers' Pension & Retirement Fund of Chicago, 203 North LaSalle Street, Chicago, Illinois 60601.

Article 17 of the Illinois Pension Code governs the retirement, survivor and disability benefits provided by the Pension Fund. Participation in the Pension Fund is mandatory for all members of the teaching force and employees of the Pension Fund. As of June 30, 2010, the most recent report, there were 31,674 active participants in the Pension Fund, substantially all of who were employees of the CPS.

A member of the Pension Fund with at least 20 years of service is entitled to a pension upon attainment of age 55. A member with at least 5 but less than 20 years of service is entitled to a pension upon attainment of age 62. The pension benefit is based upon years of service and salary level.

Pension legislation (Public Act 96-0889) created a second tier of benefits for teachers who first become participants under the fund on or after January 1, 2011. Under this act, a member is entitled to a pension after attainment of age 67 with at least 10 years of service. However a member can elect to retire at age 62 with at least 10 years of service and receive a retirement annuity reduced by



NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)

1/2 percent for each month that his or her age is under 67. In addition, the annual final average salary may not exceed the social security wage base of \$106,800 in 2011 and shall be increased by the lesser of 3% or one-half of percentage change in the Consumer Price Index-U during the preceding 12-month calendar year.

Participating members contribute 9% of salary, allocated as follows: 7.5% for retirement pension, 0.5% for automatic annual increases and 1.0% for survivor's pension. In fiscal year 2011, as in previous fiscal years, CPS paid a portion (7% — \$130.0 million) of the required employees' contribution, which has been recorded as an expenditure in the accompanying financial statements. A portion of grant funds from the Federal government and General Operating Fund revenues provides the funding of the 7% portion. The remaining portion (2%) is withheld from teachers' salaries.

CPS' employer-required contributions, with the exception of contributions from Federal funds, are not actuarially determined. State law requires statutorily determined CPS employer contributions. CPS' employer contributions towards the cost of retirement benefits, and their related sources of funding, are as follows (\$000's):

Retirement benefit contribution:	
A contribution to increase funded ratio to 90%	\$138,929
A portion of grant funds from the Federal government for teachers paid from certain Federally-funded programs	26,689
Subtotal	\$165,618
A contribution from the State of Illinois	10,449
A contribution to Early Retirement Option Plan	2,061
A 20% deficiency payment	259
Total contributions	<u>\$178,387</u>

For the fiscal year ended June 30, 2011, employee contributions are \$167.0 million which is 9% of pensionable salary. Employer contributions for the year are \$178.4 million which is approximately 9% of covered payroll.

CPS recognizes its pension expenditures as the amount accrued during the year that normally would be liquidated with expendable available financial resources (i.e., total CPS contributions).

The governmental fund financial statements reflect expenditures on both a functional and budgetary account basis. Teachers' pension expenditures reflected on the budgetary account basis include both CPS' employer share of pension expenditures of \$176.1 million and amounts incurred by CPS for a portion of the required employees' pension contribution of \$130.0 million, which total \$306.1 million. For functional reporting purposes, all teachers' pension expenditures, except that portion funded by the Federal grants, are reflected in the same functional classifications as the teachers' salaries.

The government-wide financial statements reflect pension expense representing the change in net pension obligation.



NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)

The CPS' annual pension costs for fiscal years 2011, 2010 and 2009 are as follows (\$000's):

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Annual required contribution (ARC)	\$ 425,647	\$ 355,846	\$ 292,146
Interest on net pension obligation (NPO)	157,495	154,391	148,588
Adjustment to annual required contribution	<u>(111,430)</u>	<u>(109,234)</u>	<u>(105,127)</u>
Annual pension cost (APC)	\$ 471,712	\$ 401,003	\$ 335,607
Less: Contributions made	<u>(178,387)</u>	<u>(362,203)</u>	<u>(263,069)</u>
Increase in NPO	\$ 293,325	\$ 38,800	\$ 72,538
Add NPO, beginning of year	<u>1,968,685</u>	<u>1,929,885</u>	<u>1,857,347</u>
NPO, end of year	<u><u>\$2,262,010</u></u>	<u><u>\$1,968,685</u></u>	<u><u>\$1,929,885</u></u>
Actuarial valuation date	June 30, 2010		
Actuarial cost method	Projected Unit Credit		
Amortization method	Level percent, open		
Remaining amortization period	30 years		
Asset valuation method	4 year smoothed market		
Actuarial assumptions:			
Investment rate of return	8%		
Projected salary increases	Average of 4% per year		
Inflation	3%		

At June 30, 2010, 2009 and 2008 (the actuarial valuation dates), the Schedule of Funding Progress and other trend information are as follows (\$000's):

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Actuarial value of assets	\$ 10,917,417	\$ 11,493,256	\$ 12,069,417
Less: Actuarial accrued liability (AAL)	<u>(16,290,190)</u>	<u>(15,683,242)</u>	<u>(15,203,741)</u>
AAL unfunded (liability)	<u><u>\$ (5,372,773)</u></u>	<u><u>\$ (4,189,986)</u></u>	<u><u>\$ (3,134,324)</u></u>
Funded ratio	67.0%	73.3%	79.4%
Covered payroll	\$ 2,018,147	\$ 1,996,194	\$ 1,914,559
Unfunded AAL as a percentage of covered payroll	266.2%	209.9%	163.7%
	<u>2011</u>	<u>2010</u>	<u>2009</u>
Annual pension cost	\$ 471,712	\$ 401,003	\$ 335,607
Percentage of annual pension cost contributed	37.8%	90.3%	78.4%
Net pension obligation	\$2,262,010	\$1,968,685	\$1,929,885

In the opinion of the CPS' legal counsel, the unfunded actuarial liability of the Pension Fund is not a liability to be funded by the CPS; however, CPS is required to provide funding in addition to amounts provided from Federal and State sources if the funded ratio drops below 90%. In April 2010, the General Assembly passed bill SB1946 which provides short-term pension relief to CPS. Under this legislation, CPS is required to make pension contributions in the amount of the "normal cost" of benefits beginning in fiscal year 2011 through fiscal year 2013, resulting in significantly lower pension contributions. CPS' pension contribution for fiscal year 2011 was \$165.6 million. However, beginning in fiscal year 2014, CPS will be required to make pension contributions to increase the funded ratio to 90%. During fiscal year 2011 CPS did not offer an early retirement incentive program.

Pension — Other Personnel

All career service employees of CPS, except CPS employees who are members of the Public School Teachers' Pension and Retirement Fund, participate in the Municipal Employees' Annuity and Benefit Fund of Chicago (the "Annuity Fund"). The Annuity Fund is considered a cost-sharing defined benefit plan.

NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)

Pension legislation (Public Act 96-0889) was approved in April 2010 and established two distinct classes of membership with different retirement eligibility conditions and benefit provisions. For convenience, the Annuity Fund uses a tier concept to distinguish these groups: Tier 1 members are participants that became members before January 1, 2011 and Tier 2 members are participants that became members on or after January 1, 2011.

If an employee leaves covered employment without qualifying for an annuity, accumulated contributions are refunded with interest at 3% per annum, subject to certain exceptions.

Tier 1 employees age 55 or more with at least 10 years of service are entitled to receive an annuity. Employees age 60 or more with at least 10 years of service or age 55 with at least 20 years of service or age 50 or more with at least 30 years of service are entitled to receive a minimum formula annuity of 2.4% per year of service times the final average salary. If the employee retires prior to age 60, the annuity shall be reduced by 0.25% for each month the employee is under age 60 if the employee has less than 25 years of service. The annuity is not discounted if the employee is age 50 with at least 30 years of service.

Tier 2 employees age 67 or more with at least 10 years of service are entitled to receive an unreduced annuity benefit or a reduced annuity benefit at age 62 with 10 years of service. The annuity is discounted ½ percent for each full month the employee is under age 67. Final average salary is calculated using salary from the eight highest consecutive years within the last 10 years of service prior to retirement. Pensionable salary is limited to \$106,800 in 2011.

Except as described below, CPS makes no direct contributions to the Annuity Fund, which receives its income from three primary sources: a City of Chicago tax levy; income from investments; and deductions from participating employees' salaries.

Both Tier 1 and Tier 2 employees are required by Article 8, Chapter 40 of the Illinois Compiled Statutes to contribute a percentage of their salary (8.5%). The pensionable salary for Tier 1 members has no limitation while Tier 2 employees' pensionable salary is limited to \$106,800 in 2011. In fiscal year 2011, as in previous fiscal years, CPS agreed to pay a portion (7% — \$38.5 million) of the required employees' contribution for most employees. CPS also receives a portion of the cost of providing pension benefits from grants by the Federal government for career service employees paid from certain Federally-funded programs. The amount reflected as career service pension expenditures in the accompanying governmental fund financial statements is \$102.2 million, \$38.5 million of this amount represents the required employees' contribution paid by CPS on behalf of its employees; \$53.5 million is contributed by the City of Chicago through its specific tax levies for pension plans and the remaining \$10.2 million is funded under Federally-funded programs. The portion funded by the City of Chicago and Federal Government is also reflected as revenue in the General Operating Fund.

Career service pension expense in the government-wide financial statements for fiscal year 2011 is \$102.2 million. For fiscal years 2010 and 2009, the career service pension expense was \$96.9 million and \$93.8 million, respectively.

As of December 31, 2010, the date of the latest available report, the Annuity Fund had net assets of approximately \$5.4 billion and an unfunded accrued actuarial liability for all covered employees, including CPS employees, of approximately \$6.0 billion. CPS employs approximately 16,061 of the 30,726 active participants in the Annuity Fund. CPS, in the opinion of its legal counsel, has no duty to contribute any sum to the Annuity Fund.

Other Postemployment Benefits (OPEB)

Healthcare benefits for certified teachers and administrators are provided under a cost sharing multiple employer plan administered by the Public School Teachers' Pension and Retirement Fund of Chicago (the "Pension Fund"). There are no assets of the CPS included in the Pension Fund. The initial actuarial analysis is contained in a stand alone report that was commissioned by CPS and is available by contacting Chicago Public Schools, 125 South Clark Street, Chicago, Illinois 60603. Subsequent analyses will be contained within the Pension Fund Annual Report and will be available by contacting the Public School Teachers' Pension & Retirement Fund of Chicago, 203 North LaSalle Street, Chicago, Illinois 60601.



NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)

The Pension Fund administers a health insurance program that includes two external health insurance providers. A recipient of a retirement pension, survivor pension, or disability pension may be eligible to participate in a health insurance program and premium rebate sponsored by the Pension Fund, provided the Pension Fund is the recipient's final pension system prior to retirement. The purpose of this program is to help defray the retired member's premium cost for health insurance. The member is responsible for paying the cost of the insurance and may purchase insurance from the Pension Fund's providers or other outside providers. Each year, the Board of Trustees of the Pension Fund establishes a rebate percentage that is used to defray a portion of the cost of the insurance. The rebate percentage was 70% of the individual member's cost for fiscal years 2010 and 2009. In accordance with Illinois Compiled Statutes (ILCS) Article 40 Chapter 5 Article 17 Section 142.1, the total health insurance benefits provided in any one year may not exceed \$65 million plus any previous year amounts authorized but not yet expended. The statutory threshold, however, does not fall under the definition of a funding cap as set forth in GASB 45. The Pension Fund has total discretion over the program, and no employee or employer contributions are made for the subsidy. As of June 30, 2010, the most recent available data, there were 31,674 active members in the Chicago Teachers' Pension Fund Retiree Health Insurance Program. This provision reduces the net assets of the "Pension Fund. Although CPS does not contribute directly to retirees' health care premiums, the impact does require increased contributions by CPS to build assets to the 90% requirement.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective and, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The CPS' annual OPEB costs for fiscal year 2011, 2010 and 2009 are as follows (\$000's):

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Annual required contribution	\$ 205,210	\$186,232	\$171,880
Interest on net OPEB obligation	42,722	34,049	26,091
Adjustment to annual required contribution	(34,584)	(27,563)	(21,121)
Annual OPEB cost	<u>\$ 213,348</u>	<u>\$192,718</u>	<u>\$176,850</u>
Less: Contributions made by the State of Illinois	32,522	—	—
Increase in OPEB	\$ 180,826	\$192,718	\$176,850
Add OPEB, beginning of year	949,371	756,653	579,803
OPEB, end of year	<u>\$1,130,197</u>	<u>\$949,371</u>	<u>\$756,653</u>
Actuarial valuation date	June 30, 2010		
Actuarial cost method	Projected Unit Credit		
Amortization method	Level percent, open		
Remaining amortization period	30 years		
Actuarial assumptions:			
Discount rate	4.5%		
Medical trend rate	8%		
Inflation	3%		



NOTE 12. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)

At June 30, 2010, 2009 and 2008 (the actuarial valuation dates), the Schedule of Funding Progress and other trend information is as follows (\$000's):

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Actuarial value of assets	\$ 34,858	\$ 49,692	\$ 44,989
Less: Actuarial accrued liability (AAL)	<u>(2,821,698)</u>	<u>(2,670,283)</u>	<u>(2,407,122)</u>
AAL unfunded (liability)	<u>\$(2,786,840)</u>	<u>\$(2,620,591)</u>	<u>\$(2,362,133)</u>
Funded ratio	1.2%	1.9%	1.9%
Covered payroll	\$ 2,018,147	\$ 1,996,194	\$ 1,914,559
Unfunded AAL as a percentage of covered payroll	138.1%	131.3%	123.4%
	<u>2010</u>	<u>2009</u>	<u>2008</u>
Annual OPEB cost	\$ 213,348	\$192,718	\$176,850
Percentage of annual pension cost contributed	15.2%	0%	0%
Net OPEB obligation	\$1,130,197	\$949,371	\$756,653

Other Personnel

Actuarial studies on other personnel determined that no OPEB liability exists for those employees as of June 30, 2011.

NOTE 13. FUND BALANCE CLASSIFICATIONS AND NET ASSET RESTRICTIONS

a. Fund Balance Classifications

On the fund financial statements, the Nonspendable Fund Balance consists of the following (\$000's):

Inventory	\$1,543
Donation (principal required to be maintained intact)	429
Total	<u>\$1,972</u>

At the end of the fiscal year the total encumbrances for the general operating fund amounted to \$113.4 million and \$353.7 million for the capital projects fund.

b. Net Assets Restrictions

The government-wide statement of net assets reports \$630.5 million of restricted net assets, of which \$469.4 is restricted for Debt service, \$7.6 million is restricted for Donations and \$153.5 is restricted by Enabling legislation.

NOTE 14. LITIGATION AND CONTINGENCIES

a. State and Federal Aid Receipts

State and Federal aid is generally subject to review by the responsible governmental agencies for compliance with the agencies' regulations governing the aid. In the opinion of CPS management any potential adjustments to the Federal or State aid recorded by CPS through June 30, 2011, resulting from a review by a responsible government agency will not have a material effect on CPS' financial statements at June 30, 2011.



NOTE 14. LITIGATION AND CONTINGENCIES (continued)

b. Pollution remediation obligation.

In November 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. The Statement establishes accounting and financial reporting standards for pollution remediation obligations which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. In fiscal year 2011 CPS recorded a pollution remediation obligation of \$10.5 million as current year expense in the Statement of Activities.

Several CPS facilities contain hazardous contaminants such as lead and asbestos, which is continually monitored by the school district. CPS' pollution remediation obligation is primarily related to the removal of lead and asbestos during the remodeling and/or expansion of CPS facilities. The pollution remediation obligation is derived from construction contracts and the amount assumes no unexpected change orders.

c. Other Litigation and Claims

There are numerous other claims and pending legal actions involving CPS, including actions concerned with civil rights of employees, workers' compensation, torts, property tax objections, and other matters, arising out of CPS' ordinary conduct of its business. Certain actions involve alleged damages in substantial amounts. The amounts of liability, if any, on these claims as of June 30, 2011, in excess of related insurance coverage with respect to certain claims, are not determinable at this time. In the opinion of CPS management and legal counsel, the final resolution of these claims and legal actions will not be material to CPS' financial statements as of June 30, 2011.

NOTE 15. SUBSEQUENT EVENTS

Unlimited Tax General Obligation Bonds (Series 2011A)

In November 2011, CPS issued \$402.4 million in Unlimited Tax General Obligation Bonds (Series 2011A) at a net premium of \$1.2 million. The proceeds from these bonds are being used as part of CPS' Capital Improvement Program, and to pay costs of issuance of the bonds. The debt service will be paid from General State Aid revenues.





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CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

COMPREHENSIVE ANNUAL FINANCIAL REPORT

General Operating Fund

The General Operating Fund is the primary operating fund of the Board. It was created in response to the provisions of P.A. 89-15 which consolidated all of the rate-limited tax levies into the Board's general education tax levy. All information in this fund is presented in accordance with the provisions of the Illinois Program Accounting Manual for Local Education Agencies. The General Operating Fund includes all the revenues and expenditures of the following programs: Educational Program; Supplementary General State Aid Program; School Food Service Program; Elementary and Secondary Education Act Program; Individuals with Disabilities Education Act Program; Workers and Unemployment Compensation/Tort Immunity Program; Public Building Commission Operations and Maintenance Program, and; Other Government-funded Programs.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
SCHEDULE OF REVENUES AND EXPENDITURES AND NET CHANGES IN FUND BALANCE
FINAL APPROPRIATIONS AND ACTUAL
For the Fiscal Year Ended June 30, 2011
With Comparative Amounts for the Fiscal Year Ended June 30, 2010
(Thousands of Dollars)

	<u>Final Appropriations</u>	<u>Fiscal Year 2011 Actual</u>	<u>Variance</u>	<u>Fiscal Year 2010 Actual</u>	<u>2011 Over (Under) 2010</u>
Revenues:					
Property taxes	\$1,920,100	\$1,904,169	\$ (15,931)	\$2,035,938	\$(131,769)
Replacement taxes	98,730	172,384	73,654	96,816	75,568
State aid	1,628,428	1,694,566	66,138	1,367,797	326,769
Federal aid	1,288,988	1,121,457	(167,531)	1,160,412	(38,955)
Interest and investment earnings	2,600	1,920	(680)	3,084	(1,164)
Other	99,239	221,391	122,152	111,985	109,406
Total revenues	<u>\$5,038,085</u>	<u>\$5,115,887</u>	<u>\$ 77,802</u>	<u>\$4,776,032</u>	<u>\$ 339,855</u>
Expenditures:					
Teachers' salaries	\$2,145,364	\$2,023,510	\$ 121,854	\$2,026,257	\$ (2,747)
Career service salaries	615,324	610,741	4,583	604,042	6,699
Energy	81,839	83,356	(1,517)	78,682	4,674
Food	108,425	93,766	14,659	93,088	678
Textbooks	102,874	70,249	32,625	70,596	(347)
Supplies	73,589	51,125	22,464	48,046	3,079
Other commodities	695	478	217	948	(470)
Professional fees	492,589	450,127	42,462	381,851	68,276
Charter schools	376,579	377,755	(1,176)	326,322	51,433
Transportation	115,449	107,530	7,919	109,349	(1,819)
Tuition	65,650	59,102	6,548	62,568	(3,466)
Telephone and telecommunications	19,623	19,823	(200)	18,199	1,624
Other services	15,786	11,789	3,997	15,688	(3,899)
Equipment — educational	59,437	41,896	17,541	33,661	8,235
Repairs and replacements	40,751	37,355	3,396	31,854	5,501
Capital outlay	5	5	—	10	(5)
Teachers' pension	338,755	306,111	32,644	475,628	(169,517)
Career service pension	96,720	102,158	(5,438)	96,913	5,245
Hospitalization and dental insurance	333,274	353,878	(20,604)	311,048	42,830
Medicare	34,941	35,004	(63)	34,826	178
Unemployment compensation	20,133	21,992	(1,859)	16,000	5,992
Workers' compensation	28,227	25,859	2,368	28,244	(2,385)
Rent	12,297	11,941	356	12,093	(152)
Debt service	—	—	—	2,710	(2,710)
Other fixed charges	104,359	14,402	89,957	17,519	(3,117)
Total expenditures	<u>\$5,282,685</u>	<u>\$4,909,952</u>	<u>\$ 372,733</u>	<u>\$4,896,142</u>	<u>\$ 13,810</u>
Revenues in excess of (less than) expenditures	<u>\$ (244,600)</u>	<u>\$ 205,935</u>	<u>\$ 450,535</u>	<u>\$ (120,110)</u>	<u>\$ 326,045</u>
Other financing sources:					
Transfers in	\$ —	\$ 109,830	\$ 109,830	\$ 17,851	\$ 91,979
Total other financing sources	<u>\$ —</u>	<u>\$ 109,830</u>	<u>\$ 109,830</u>	<u>\$ 17,851</u>	<u>\$ 91,979</u>
Net change in fund balance	<u>\$ (244,600)</u>	<u>\$ 315,765</u>	<u>\$ 560,365</u>	<u>\$ (102,259)</u>	<u>\$ 418,024</u>
Fund balance, beginning of period	424,615	424,615	—	526,874	(102,259)
Fund balance, end of period	<u>\$ 180,015</u>	<u>\$ 740,380</u>	<u>\$ 560,365</u>	<u>\$ 424,615</u>	<u>\$ 315,765</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Capital Projects Fund

The Capital Projects Fund is for the receipts and expenditures of revenues for Board capital projects. This fund includes the Capital Asset Program and the Capital Improvement Program.

Capital Asset Program:

This program is for the receipts and expenditures of proceeds from the sale of certain Board real estate, proceeds from the Chicago School Finance Authority, and other miscellaneous capital project revenues from various sources as designated by the Board.

Capital Improvement Program:

This program is for the receipts and expenditures of proceeds from the sale of Unlimited Tax General Obligation Bonds, Public Building Commission Building Revenue Bonds, State of Illinois construction grant receipts and federal E-rate capital subsidies for the purpose of building and improving schools at the designation of the Board.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
OTHER FINANCING SOURCES AND NET CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

	Capital Asset Program	Capital Improvement Program	Total
Revenues:			
State aid	\$ —	\$ 2,793	\$ 2,793
Federal aid	—	4,376	4,376
Interest and investment earnings	—	2,024	2,024
Other	—	91,420	91,420
Total revenues	<u>\$ —</u>	<u>\$ 100,613</u>	<u>\$ 100,613</u>
Expenditures:			
Capital outlay	\$ 1,072	\$ 562,313	\$ 563,385
Total expenditures	<u>\$ 1,072</u>	<u>\$ 562,313</u>	<u>\$ 563,385</u>
Revenues less than expenditures	<u>\$(1,072)</u>	<u>\$(461,700)</u>	<u>\$(462,772)</u>
Other financing sources:			
Gross amounts from debt issuances	\$ —	\$ 382,125	\$ 382,125
Transfers in	—	163	163
Total other financing sources	<u>\$ —</u>	<u>\$ 382,288</u>	<u>\$ 382,288</u>
Net change in fund balances	\$(1,072)	\$ (79,412)	\$ (80,484)
Fund balances, beginning of period	1,717	261,651	263,368
Fund balances, end of period	<u>\$ 645</u>	<u>\$ 182,239</u>	<u>\$ 182,884</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CAPITAL ASSET PROGRAM
SCHEDULE OF REVENUES AND EXPENDITURES AND NET CHANGE IN FUND BALANCE
FINAL APPROPRIATIONS VS. ACTUAL
For the Fiscal Year Ended June 30, 2011
With Comparative Amounts for the Fiscal Year Ended June 30, 2010
(Thousands of dollars)

	<u>Final Appropriations</u>	<u>Fiscal Year 2011</u>	<u>Variance</u>	<u>Fiscal Year 2010</u>	<u>2011 Over (Under) 2010</u>
Revenues	\$ —	\$ —	\$ —	\$ —	\$ —
Expenditures:					
Capital outlay	\$ —	\$ 1,072	\$(1,072)	\$ 25,108	\$(24,036)
Total expenditures	\$ —	\$ 1,072	\$(1,072)	\$ 25,108	\$(24,036)
Revenues less than expenditures ..	\$ —	\$(1,072)	\$(1,072)	\$(25,108)	\$ 24,036
Net change in fund balance	\$ —	\$(1,072)	\$(1,072)	\$(25,108)	\$ 24,036
Fund balance, beginning of period	<u>1,717</u>	<u>1,717</u>	<u>—</u>	<u>26,825</u>	<u>(25,108)</u>
Fund balance, end of period	<u>\$1,717</u>	<u>\$ 645</u>	<u>\$(1,072)</u>	<u>\$ 1,717</u>	<u>\$ (1,072)</u>



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

CAPITAL IMPROVEMENT PROGRAM

SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT,

OTHER FINANCING SOURCES (USES) AND NET CHANGE IN FUND BALANCE

FINAL APPROPRIATIONS VS. ACTUAL

For the Fiscal Year Ended June 30, 2011

With Comparative Amounts for the Fiscal Year Ended June 30, 2010

(Thousands of dollars)

	Final Appropriations	Fiscal Year 2011	Variance	Fiscal Year 2010	2011 Over (Under) 2010
Revenues:					
State aid	\$ 50,200	\$ 2,793	\$ (47,407)	\$ —	\$ 2,793
Federal aid	5,000	4,376	(624)	12,275	(7,899)
Interest and investment earnings ...	1,500	2,024	524	1,978	46
Other	150,000	91,420	(58,580)	83,106	8,314
Total revenues	<u>\$ 206,700</u>	<u>\$ 100,613</u>	<u>\$(106,087)</u>	<u>\$ 97,359</u>	<u>\$ 3,254</u>
Expenditures:					
Salaries	\$ —	\$ 251	\$ (251)	\$ 1,463	\$ (1,212)
Commodities	—	1	(1)	1,132	(1,131)
Services	10,571	7,676	2,895	418,334	(410,658)
Educational equipment	5,313	8,432	(3,119)	27,654	(19,222)
Capital outlay	790,711	538,314	252,397	218,039	320,275
Pension	—	—	—	7	(7)
Hospitalization and dental insurance	—	—	—	4	(4)
Medicare	—	3	(3)	23	(20)
Other	105	7,636	(7,531)	—	7,636
Total expenditures	<u>\$ 806,700</u>	<u>\$ 562,313</u>	<u>\$ 244,387</u>	<u>\$ 666,656</u>	<u>\$(104,343)</u>
Revenues in excess of (less than) expenditures	<u>\$(600,000)</u>	<u>\$(461,700)</u>	<u>\$ 138,300</u>	<u>\$(569,297)</u>	<u>\$ 107,597</u>
Other financing sources (uses):					
Gross amounts from debt issuances	\$ 600,000	\$ 382,125	\$(217,875)	\$ 801,575	\$(419,450)
Premiums	—	—	—	2,221	(2,221)
Transfers in / (out)	—	163	163	(46,760)	46,923
Total other financing sources (uses)	<u>\$ 600,000</u>	<u>\$ 382,288</u>	<u>\$(217,712)</u>	<u>\$ 757,036</u>	<u>\$(374,748)</u>
Net change in fund balance	\$ —	\$ (79,412)	\$ (79,412)	\$ 187,739	\$(267,151)
Fund balance, beginning of period ..	261,651	261,651	—	73,912	187,739
Fund balance, end of period	<u>\$ 261,651</u>	<u>\$ 182,239</u>	<u>\$(79,412)</u>	<u>\$ 261,651</u>	<u>\$ (79,412)</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Debt Service Fund

The Debt Service Fund is established to account for annual property tax levies and other revenues that are used for the payment of principal and interest and redemption for general obligation bonds by the Board and for lease payments to the Public Building Commission. The fund includes the Bond Redemption and Interest Program and the Public Building Commission Leases Program.

Bond Redemption and Interest Program:

This program is for the receipt and expenditure of replacement taxes, City of Chicago Intergovernmental Agreement Revenue, State of Illinois construction grant receipts and other revenues as designated by the Board for the payment of interest and principal on specific bond issues.

Public Building Commission Leases Program:

This program is for the receipt and expenditure of tax levies and for State of Illinois construction grant receipts for the rental of school buildings from the Public Building Commission.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, OTHER
FINANCING SOURCES (USES) AND NET CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

	Bond Redemption and Interest Program	Public Building Commission Leases Program	Total
Revenues:			
Property taxes	\$ —	\$ 32,486	\$ 32,486
Replacement taxes	25,378	—	25,378
State aid	252,422	—	252,422
Federal aid	19,051	—	19,051
Interest and investment earnings	9,438	17	9,455
Other	104,705	—	104,705
Total revenues	<u>\$ 410,994</u>	<u>\$ 32,503</u>	<u>\$ 443,497</u>
Expenditures:			
Debt service	\$ 280,223	\$ 51,874	\$ 332,097
Total expenditures	<u>\$ 280,223</u>	<u>\$ 51,874</u>	<u>\$ 332,097</u>
Revenues in excess of (less than) expenditures	<u>\$ 130,771</u>	<u>\$(19,371)</u>	<u>\$ 111,400</u>
Other financing sources (uses):			
Gross amounts from debt issuances	\$ 256,665	\$ —	\$ 256,665
Premiums	14,700	—	14,700
Payment to refunded bond escrow agent	(269,483)	—	(269,483)
Transfers out	(109,975)	(18)	(109,993)
Total other financing sources (uses)	<u>\$(108,093)</u>	<u>\$ (18)</u>	<u>\$(108,111)</u>
Net change in fund balances	\$ 22,678	\$(19,389)	\$ 3,289
Fund balances, beginning of period	443,705	56,062	499,767
Fund balances, end of period	<u>\$ 466,383</u>	<u>\$ 36,673</u>	<u>\$ 503,056</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

BOND REDEMPTION AND INTEREST PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT,
OTHER FINANCING SOURCES (USES) AND NET CHANGES IN FUND BALANCE
FINAL APPROPRIATIONS VS. ACTUAL
For the Fiscal Year Ended June 30, 2011
With Comparative Amounts for the Fiscal Year Ended June 30, 2010
(Thousands of dollars)

	Final Appropriations	Fiscal Year 2011 Actual	Variance	Fiscal Year 2010 Actual	2011 Over (Under) 2010
Revenues:					
Replacement taxes	\$ 53,768	\$ 25,378	\$ (28,390)	\$ 55,681	\$(30,303)
State aid	252,202	252,422	220	184,279	68,143
Federal aid	10,874	19,051	8,177	7,461	11,590
Interest and investment earnings	—	9,438	9,438	7,387	2,051
Other	96,664	104,705	8,041	164,570	(59,865)
Total revenues	<u>\$413,508</u>	<u>\$ 410,994</u>	<u>\$ (2,514)</u>	<u>\$ 419,378</u>	<u>\$ (8,384)</u>
Expenditures:					
Debt service	\$425,508	\$ 280,223	\$ 145,285	\$ 332,057	\$(51,834)
Total expenditures	<u>\$425,508</u>	<u>\$ 280,223</u>	<u>\$ 145,285</u>	<u>\$ 332,057</u>	<u>\$(51,834)</u>
Revenues in excess of (less than) expenditures	<u>\$ (12,000)</u>	<u>\$ 130,771</u>	<u>\$ 142,771</u>	<u>\$ 87,321</u>	<u>\$ 43,450</u>
Other financing sources (uses):					
Gross amounts from debt issuances	\$ —	\$ 256,665	\$ 256,665	\$ 281,685	\$(25,020)
Premiums	—	14,700	14,700	4,238	10,462
Payment to refunded bond escrow agent	—	(269,483)	(269,483)	(288,704)	19,221
Transfers out	—	(109,975)	(109,975)	(32,898)	(77,077)
Total other financing sources (uses)	<u>\$ —</u>	<u>\$(108,093)</u>	<u>\$(108,093)</u>	<u>\$ (35,679)</u>	<u>\$(72,414)</u>
Net change in fund balance	<u>\$ (12,000)</u>	<u>\$ 22,678</u>	<u>\$ 34,678</u>	<u>\$ 51,642</u>	<u>\$(28,964)</u>
Fund balance, beginning of period ..	443,705	443,705	—	392,063	51,642
Fund balance, end of period	<u>\$431,705</u>	<u>\$ 466,383</u>	<u>\$ 34,678</u>	<u>\$ 443,705</u>	<u>\$ 22,678</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

PUBLIC BUILDING COMMISSION LEASES PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT,
OTHER FINANCING SOURCES (USES) AND NET CHANGES IN FUND BALANCE
FINAL APPROPRIATIONS VS. ACTUAL
For the Fiscal Year Ended June 30, 2011
With Comparative Amounts for the Fiscal Year Ended June 30, 2010
(Thousands of dollars)

	Final Appropriations	Fiscal Year 2011 Actual	Variance	Fiscal Year 2010 Actual	2011 Over (Under) 2010
Revenues:					
Property taxes	\$ 11,874	\$ 32,486	\$20,612	\$ 11,225	\$ 21,261
Interest and investment earnings . . .	—	17	17	34	(17)
Total revenues	<u>\$ 11,874</u>	<u>\$ 32,503</u>	<u>\$20,629</u>	<u>\$ 11,259</u>	<u>\$ 21,244</u>
Expenditures:					
Debt service	\$ 51,874	\$ 51,874	\$ —	\$ 51,830	\$ 44
Total expenditures	<u>\$ 51,874</u>	<u>\$ 51,874</u>	<u>\$ —</u>	<u>\$ 51,830</u>	<u>\$ 44</u>
Revenues in excess of (less than) expenditures	<u>\$(40,000)</u>	<u>\$(19,371)</u>	<u>\$20,629</u>	<u>\$(40,571)</u>	<u>\$ 21,200</u>
Other financing sources (uses):					
Transfers in/(out)	\$ —	\$ (18)	\$ (18)	\$ 61,807	\$(61,825)
Total other financing sources (uses)	<u>\$ —</u>	<u>\$ (18)</u>	<u>\$ (18)</u>	<u>\$ 61,807</u>	<u>\$(61,825)</u>
Net change in fund balance	<u>\$(40,000)</u>	<u>\$(19,389)</u>	<u>\$20,611</u>	<u>\$ 21,236</u>	<u>\$(40,625)</u>
Fund balance, beginning of period	34,826	56,062	21,236	34,826	21,236
Fund balance, end of period	<u>\$ (5,174)</u>	<u>\$ 36,673</u>	<u>\$41,847</u>	<u>\$ 56,062</u>	<u>\$(19,389)</u>

FINANCIAL SECTION





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CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATISTICAL SECTION

This part of CPS' Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about CPS' overall financial position.

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how CPS' financial performance has changed over time.

Revenue Capacity

These schedules contain information to help the reader assess CPS' major revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of CPS' current levels of outstanding debt and CPS' ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which CPS' financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in CPS' financial report relates to the services CPS provides and the activities it performs.

Sources:

Unless otherwise noted, the information contained herein is derived from the comprehensive annual financial reports for the relevant year. CPS implemented GASB 34 in 2001; schedules presenting government-wide information include information beginning in that year.



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

COMPONENTS OF NET ASSETS

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Thousands of dollars)

	<u>2002(1)</u>	<u>2003(1)</u>	<u>2004</u>	<u>2005</u>
Invested in capital assets, net of related debt	\$ 400,731	\$ 392,041	\$454,841	\$ 413,077
Restricted for:				
Debt service	479,774	457,106	390,882	298,538
Reserve for specific purposes	103,372	88,207	—	—
Donations	—	—	1,439	1,459
Enabling legislation	—	—	42,015	43,675
Unrestricted	<u>176,312</u>	<u>67,064</u>	<u>(98,023)</u>	<u>(225,335)</u>
Total net assets	<u>\$1,160,189</u>	<u>\$1,004,418</u>	<u>\$791,154</u>	<u>\$ 531,414</u>

- 1) Note: Prior to fiscal year 2004, Donations and Enabling legislation are reported as Reserve for specific purposes.
- 2) For fiscal year 2009, the amounts for net assets restricted for debt service and unrestricted net assets were restated to reflect the effects of GASB 53 adopted in FY10.
- 3) Certain items in the FY2010 financial statements were reclassified to conform with the FY2011 presentation. These reclassifications had no impact in the total net assets as previously reported.



<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009 (2)</u> <u>(as restated)</u>	<u>2010 (3)</u>	<u>2011</u>
\$ 268,190	\$ 267,249	\$ 133,440	\$ 30,202	\$ 440,099	\$ 370,159
357,409	413,747	445,782	391,392	442,851	469,373
—	—	—	—	—	—
1,503	1,765	1,826	3,695	5,825	7,598
84,388	129,597	102,695	101,072	109,163	153,483
<u>(538,879)</u>	<u>(698,809)</u>	<u>(784,702)</u>	<u>(1,017,248)</u>	<u>(1,916,207)</u>	<u>(2,202,428)</u>
<u>\$ 172,611</u>	<u>\$ 113,549</u>	<u>\$(100,959)</u>	<u>\$ (490,887)</u>	<u>\$ (918,269)</u>	<u>\$(1,201,815)</u>



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

Changes in Net Assets
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Governmental Activities:				
Expenses:				
Instruction	\$ 2,438,141	\$ 2,484,448	\$ 2,663,014	\$ 2,777,202
Pupil support services	329,041	332,693	343,777	337,676
Administrative support services	156,583	169,457	176,858	158,303
Facilities support services	334,605	351,492	339,213	379,599
Instructional support services	339,521	332,620	350,717	404,583
Food services	169,006	177,526	189,475	182,315
Community services	48,321	47,435	50,401	42,677
Interest expense	183,443	186,141	187,646	201,506
Other	21,253	5,297	8,128	8,724
Total governmental activities	<u>\$ 4,019,914</u>	<u>\$ 4,087,109</u>	<u>\$ 4,309,229</u>	<u>\$ 4,492,585</u>
Program revenues:				
Charges for services				
Instruction	\$ —	\$ 1,553	\$ 210	\$ 1,014
Food services	11,170	11,404	9,620	9,553
Operating grants and contributions	687,937	764,750	791,309	876,222
Capital grants and contributions	160,118	153,709	161,429	21,722
Total program revenues	<u>\$ 859,225</u>	<u>\$ 931,416</u>	<u>\$ 962,568</u>	<u>\$ 908,511</u>
Revenues in excess of/(less than) expenditures	<u>\$(3,160,689)</u>	<u>\$(3,155,693)</u>	<u>\$(3,346,661)</u>	<u>\$(3,584,074)</u>
General revenues and other changes in net assets:				
Taxes:				
Property taxes	\$ 1,532,662	\$ 1,574,111	\$ 1,561,127	\$ 1,663,783
Replacement taxes	114,313	105,960	120,427	145,724
Non-program state aid	1,227,052	1,248,607	1,333,113	1,429,611
Interest and investment earnings	68,050	49,161	39,501	43,215
Gain recognized from swaptions earnings	—	—	—	—
Gain on sale of capital assets	—	—	—	—
Other	22,814	22,083	79,229	42,001
Extraordinary item - gain on impairment of capital assets	—	—	—	—
Total general revenues and extraordinary item	<u>\$ 2,964,891</u>	<u>\$ 2,999,922</u>	<u>\$ 3,133,397</u>	<u>\$ 3,324,334</u>
Change in net assets	<u>\$ (195,798)</u>	<u>\$ (155,771)</u>	<u>\$ (213,264)</u>	<u>\$ (259,740)</u>



<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 3,107,897	\$ 3,096,529	\$ 3,138,036	\$ 3,324,936	\$ 3,507,221	\$ 3,712,681
346,434	360,628	384,765	408,705	438,164	545,428
161,802	178,891	205,693	233,361	201,908	187,559
422,731	461,265	519,982	582,539	481,245	499,093
465,106	481,477	496,708	512,427	523,851	541,714
179,725	186,297	193,614	203,880	207,127	215,609
46,205	45,203	46,779	56,392	50,879	47,021
217,848	219,826	274,356	259,850	258,360	285,577
23,404	8,126	10,652	8,504	12,919	8,845
<u>\$ 4,971,152</u>	<u>\$ 5,038,242</u>	<u>\$ 5,270,585</u>	<u>\$ 5,590,594</u>	<u>\$ 5,681,674</u>	<u>\$ 6,043,527</u>
\$ 3,145	\$ 3,748	\$ 3,940	\$ 5,189	\$ 4,308	\$ 692
9,317	8,784	8,537	8,298	6,881	6,404
896,916	862,674	945,723	1,250,526	1,376,744	1,368,118
66,732	97,477	128,570	151,405	99,054	184,837
<u>\$ 976,110</u>	<u>\$ 972,683</u>	<u>\$ 1,086,770</u>	<u>\$ 1,415,418</u>	<u>\$ 1,486,987</u>	<u>\$ 1,560,051</u>
<u>\$(3,995,042)</u>	<u>\$(4,065,559)</u>	<u>\$(4,183,815)</u>	<u>\$(4,175,176)</u>	<u>\$(4,194,687)</u>	<u>\$(4,483,476)</u>
\$ 1,768,457	\$ 1,813,006	\$ 1,861,781	\$ 1,936,656	\$ 1,896,265	\$ 2,053,119
184,700	201,509	215,489	188,503	152,497	197,762
1,532,169	1,651,730	1,756,386	1,603,926	1,532,679	1,792,747
71,972	116,907	85,896	43,692	12,734	17,101
—	37,647	—	—	—	—
5,312	22,919	45,386	91	—	—
73,629	162,779	4,369	56,132	173,130	139,201
—	—	—	708	—	—
<u>\$ 3,636,239</u>	<u>\$ 4,006,497</u>	<u>\$ 3,969,307</u>	<u>\$ 3,829,708</u>	<u>\$ 3,767,305</u>	<u>\$ 4,199,930</u>
<u>\$ (358,803)</u>	<u>\$ (59,062)</u>	<u>\$ (214,508)</u>	<u>\$ (345,468)</u>	<u>\$ (427,382)</u>	<u>\$ (283,546)</u>



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

Components of Fund Balance
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General operating fund				
Reserved	\$155,251	\$120,597	\$110,996	\$142,447
Unreserved	209,883	208,359	196,510	248,546
Nonspendable	—	—	—	—
Restricted for grants and donations	—	—	—	—
Restricted for workers' comp/tort immunity	—	—	—	—
Assigned for educational services	—	—	—	—
Assigned for appropriated fund balance	—	—	—	—
Assigned for encumbrances	—	—	—	—
Unassigned	—	—	—	—
Total general operating fund	<u>\$365,134</u>	<u>\$328,956</u>	<u>\$307,506</u>	<u>\$390,993</u>
All other governmental funds				
Reserved	\$721,138	\$604,734	\$609,203	\$435,625
Unreserved, reported in:				
Capital projects fund	172,786	223,734	203,560	219,048
Debt service fund	—	—	—	—
Restricted for capital improvement program	—	—	—	—
Restricted for debt service	—	—	—	—
Assigned for debt service	—	—	—	—
Total all other governmental funds	<u>\$893,924</u>	<u>\$828,468</u>	<u>\$812,763</u>	<u>\$654,673</u>

1) FY2011 fund balances are classified to conform with GASB 54 adopted in July 2010.



<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$188,177	\$ 229,093	\$ 237,205	\$215,452	\$226,154	\$ —
307,720	404,843	432,391	311,422	198,461	—
—	—	—	—	—	1,972
—	—	—	—	—	126,855
—	—	—	—	—	91,036
—	—	—	—	—	289,000
—	—	—	—	—	181,300
—	—	—	—	—	44,924
—	—	—	—	—	5,293
<u>\$495,897</u>	<u>\$ 633,936</u>	<u>\$ 669,596</u>	<u>\$526,874</u>	<u>\$424,615</u>	<u>\$740,380</u>
\$574,232	\$ 463,935	\$ 541,068	\$373,010	\$604,733	\$ —
284,019	481,445	337,506	—	33,846	—
—	158,480	178,489	154,616	124,556	—
—	—	—	—	—	182,884
—	—	—	—	—	271,643
—	—	—	—	—	231,413
<u>\$858,251</u>	<u>\$1,103,860</u>	<u>\$1,057,063</u>	<u>\$527,626</u>	<u>\$763,135</u>	<u>\$685,940</u>



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education
CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Revenues:				
Property taxes	\$1,479,968	\$1,546,335	\$1,571,065	\$1,639,237
Replacement taxes	114,313	105,960	120,427	145,724
State aid	1,467,914	1,469,567	1,481,448	1,507,115
Federal aid	554,750	608,693	730,504	762,955
Interest and investment earnings	68,050	49,161	39,501	43,215
Other	89,505	94,345	149,253	102,654
Total revenues	<u>\$3,774,500</u>	<u>\$3,874,061</u>	<u>\$4,092,198</u>	<u>\$4,200,900</u>
Expenditures:				
Current:				
Instruction	\$2,152,958	\$2,214,781	\$2,355,114	\$2,429,014
Pupil support services	311,628	320,380	327,653	323,225
General support services	750,111	764,002	770,629	821,583
Food services	160,063	170,238	180,588	173,872
Community services	47,523	47,253	49,933	42,325
Teacher's pension and retirement benefits	65,045	65,045	65,045	65,045
Other	5,138	12,322	8,128	5,912
Capital outlay	381,038	443,873	365,336	389,450
Debt service	219,894	255,239	259,590	315,809
Principal	—	—	—	—
Interest	—	—	—	—
Other charges	—	—	—	—
Total expenditures	<u>\$4,093,398</u>	<u>\$4,293,133</u>	<u>\$4,382,016</u>	<u>\$4,566,235</u>
Revenues in excess of/(less than) expenditures	<u>\$ (318,898)</u>	<u>\$ (419,072)</u>	<u>\$ (289,818)</u>	<u>\$ (365,335)</u>
Other financing sources (uses):				
Gross amounts from debt issuances	\$ 232,693	\$ 308,635	\$ 765,995	\$ 524,260
Premiums on bonds issued	—	8,803	—	43,450
Insurance proceeds	—	—	—	—
Sales of general capital assets	—	—	—	—
Payment to refunded bond escrow agent	—	—	(534,375)	(282,478)
Transfers in	1,527	7,711	30,215	7,344
Transfers out	(1,527)	(7,711)	(30,215)	(7,344)
Proceeds from notes	—	—	21,043	5,500
Discounts on bonds issued	(9)	—	—	—
Capital leases	—	—	—	—
Total other financing sources (uses)	<u>\$ 232,684</u>	<u>\$ 317,438</u>	<u>\$ 252,663</u>	<u>\$ 290,732</u>
Net changes in fund balances	<u>\$ (86,214)</u>	<u>\$ (101,634)</u>	<u>\$ (37,155)</u>	<u>\$ (74,603)</u>
Debt service as a percentage of noncapital expenditures	5.90%	6.59%	6.43%	7.50%

NOTES:

1. This schedule was prepared using the modified accrual basis of accounting.
2. The principal and interest components of debt service expenditures are unavailable for years prior to fiscal year 2006.

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$1,718,249	\$1,767,760	\$ 1,813,917	\$1,896,540	\$2,047,163	\$1,936,655
184,700	201,509	215,489	188,503	152,497	197,762
1,602,635	1,701,585	1,846,034	1,511,886	1,552,076	1,949,781
775,631	746,029	876,041	1,125,580	1,180,148	1,144,884
71,947	116,907	85,895	43,693	12,483	13,399
163,765	286,230	181,028	253,376	359,661	417,516
<u>\$4,516,927</u>	<u>\$4,820,020</u>	<u>\$ 5,018,404</u>	<u>\$5,019,578</u>	<u>\$5,304,028</u>	<u>\$5,659,997</u>
\$2,538,909	\$2,491,653	\$ 2,575,124	\$2,773,440	\$2,898,855	\$2,955,772
333,968	349,324	362,325	390,399	416,502	508,803
893,041	914,117	986,905	1,057,672	1,010,637	1,023,004
172,774	179,902	181,778	194,603	196,828	201,325
46,179	45,467	45,708	56,003	50,331	45,848
75,398	155,563	206,651	237,011	294,424	149,377
23,404	8,126	10,652	8,504	11,928	8,845
310,817	345,963	466,895	672,412	705,691	580,363
—	—	—	—	—	—
49,049	180,767	60,568	81,351	141,977	70,848
158,997	154,669	206,028	212,934	236,261	249,975
6,606	6,743	15,546	7,921	8,359	11,274
<u>\$4,609,142</u>	<u>\$4,832,294</u>	<u>\$ 5,118,180</u>	<u>\$5,692,250</u>	<u>\$5,971,793</u>	<u>\$5,805,434</u>
<u>\$ (92,215)</u>	<u>\$ (12,274)</u>	<u>\$ (99,776)</u>	<u>\$ (672,672)</u>	<u>\$ (667,765)</u>	<u>\$ (145,437)</u>
\$ 385,603	\$ 355,805	\$ 1,674,555	\$ 225,675	\$1,083,260	\$ 638,790
4,124	14,444	41,226	—	6,459	14,700
—	—	—	1,155	—	—
7,596	25,673	6,404	91	—	—
—	—	(1,474,081)	(226,408)	(288,704)	(269,483)
2,796	1,904	3,813	20,389	—	—
(2,796)	(1,904)	(3,813)	(20,389)	—	—
—	—	—	—	—	—
(326)	—	—	—	—	—
3,700	—	—	—	—	—
<u>\$ 400,697</u>	<u>\$ 395,922</u>	<u>\$ 248,104</u>	<u>\$ 513</u>	<u>\$ 801,015</u>	<u>\$ 384,007</u>
<u>\$ 308,482</u>	<u>\$ 383,648</u>	<u>\$ 148,328</u>	<u>\$ (672,159)</u>	<u>\$ 133,250</u>	<u>\$ 238,570</u>
4.79%	7.35%	5.61%	5.71%	7.07%	6.09%



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

REVENUES BY SOURCE — ALL PROGRAMS

Last Ten Fiscal Years
(Thousands of dollars)

	2002		2003		2004	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Revenues:						
Property taxes	\$1,479,968	39.2%	\$1,546,335	40.0%	\$1,571,065	38.4%
Replacement taxes	114,313	3.0%	105,960	2.7%	120,427	2.9%
State aid	1,467,914	38.9%	1,469,567	37.9%	1,481,448	36.2%
Federal aid	554,750	14.7%	608,693	15.7%	730,504	17.9%
Interest and investment earnings	68,050	1.8%	49,161	1.3%	39,501	1.0%
Other	89,505	2.4%	94,345	2.4%	149,253	3.6%
Total revenues	<u>\$3,774,500</u>	<u>100.0%</u>	<u>\$3,874,061</u>	<u>100.0%</u>	<u>\$4,092,198</u>	<u>100.0%</u>
	2009		2010		2011	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Revenues:						
Property taxes	\$1,896,540	37.8%	\$2,047,163	38.6%	\$1,936,655	34.2%
Replacement taxes	188,503	3.8%	152,497	2.9%	197,762	3.5%
State aid	1,511,886	30.1%	1,552,076	29.3%	1,949,781	34.5%
Federal aid	1,125,580	22.4%	1,180,148	22.3%	1,144,884	20.2%
Interest and investment earnings	43,693	0.9%	12,483	0.2%	13,399	0.2%
Other	253,376	5.0%	359,661	6.7%	417,516	7.4%
Total revenues	<u>\$5,019,578</u>	<u>100.0%</u>	<u>\$5,304,028</u>	<u>100.0%</u>	<u>\$5,659,997</u>	<u>100.0%</u>

NOTES:

Note: This schedule was prepared using the modified accrual basis of accounting.



2005		2006		2007		2008	
<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>
\$1,639,237	39.0%	\$1,718,249	38.0%	\$1,767,760	36.7%	\$1,813,917	36.1%
145,724	3.5%	184,700	4.1%	201,509	4.2%	215,489	4.3%
1,507,115	35.9%	1,602,635	35.5%	1,701,585	35.3%	1,846,034	36.8%
762,955	18.2%	775,631	17.2%	746,029	15.5%	876,041	17.5%
43,215	1.0%	71,947	1.6%	116,907	2.4%	85,895	1.7%
102,654	2.4%	163,765	3.6%	286,230	5.9%	181,028	3.6%
<u>\$4,200,900</u>	<u>100.0%</u>	<u>\$4,516,927</u>	<u>100.0%</u>	<u>\$4,820,020</u>	<u>100.0%</u>	<u>\$5,018,404</u>	<u>100.0%</u>



2005		2006		2007		2008	
<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>
\$2,429,014	53.3%	\$2,538,909	55.2%	\$2,491,653	51.6%	\$2,575,124	50.3%
323,225	7.1%	333,968	7.2%	349,324	7.2%	362,325	7.1%
821,583	18.0%	893,041	19.4%	914,117	18.9%	986,905	19.3%
173,872	3.8%	172,774	3.7%	179,902	3.7%	181,778	3.6%
42,325	0.9%	46,179	1.0%	45,467	0.9%	45,708	0.9%
65,045	1.4%	75,398	1.6%	155,563	3.2%	206,651	4.0%
5,912	0.1%	23,404	0.5%	8,126	0.2%	10,652	0.2%
389,450	8.5%	310,817	6.7%	345,963	7.2%	466,895	9.1%
315,809	6.9%	214,652	4.7%	342,179	7.1%	282,142	5.5%
<u>\$4,566,235</u>	<u>100.0%</u>	<u>\$4,609,142</u>	<u>100.0%</u>	<u>\$4,832,294</u>	<u>100.0%</u>	<u>\$5,118,180</u>	<u>100.0%</u>



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
DETAILED SCHEDULE OF REVENUE AND EXPENDITURES

For the Fiscal Year Ended June 30, 2011
With Comparative Amounts for the Fiscal Year Ended June 30, 2010
(Thousands of dollars)

	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>2011 Over/(Under) 2010</u>
Revenues:			
Local taxes:			
Property taxes	\$1,904,169	\$2,035,938	\$(131,769)
Replacement taxes	172,384	96,816	75,568
Total revenue from local taxes	<u>\$2,076,553</u>	<u>\$2,132,754</u>	<u>\$ (56,201)</u>
Local nontax revenue:			
Interest and investment earnings	\$ 1,920	\$ 3,084	\$ (1,164)
Lunchroom operations	6,362	6,881	(519)
Other	215,029	105,104	109,925
Total revenue from nontax revenue	<u>\$ 223,311</u>	<u>\$ 115,069</u>	<u>\$ 108,242</u>
Total local revenue	<u>\$2,299,864</u>	<u>\$2,247,823</u>	<u>\$ 52,041</u>
State grants and subsidies:			
General state aid	\$ 940,693	\$ 801,198	\$ 139,495
Block grants	689,228	491,677	197,551
Other	64,645	74,922	(10,277)
Total state grants & subsidies	<u>\$1,694,566</u>	<u>\$1,367,797</u>	<u>\$ 326,769</u>
Federal grants and subsidies:			
Elementary and Secondary Education Act (ESEA)	\$ 271,859	\$ 307,331	\$ (35,472)
American Recovery and Reinvestment Act (ARRA) (1) ...	309,340	117,446	191,894
School lunch program	175,753	178,764	(3,011)
Individuals with Disabilities Education Act (IDEA)	88,058	96,240	(8,182)
Other	276,447	460,631	(184,184)
Total federal grants and subsidies	<u>\$1,121,457</u>	<u>\$1,160,412</u>	<u>\$ (38,955)</u>
Total revenues	<u>\$5,115,887</u>	<u>\$4,776,032</u>	<u>\$ 339,855</u>

(1) ARRA does not include General State Aid — Education SFSF, ARRA — Early Childhood, and General State Aid — Government SFSF



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)
For the Fiscal Year Ended June 30, 2011
With Comparative Amounts for the Fiscal Year Ended June 30, 2010
(Thousands of dollars)

	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>2011 Over/(Under) 2010</u>
Expenditures:			
Instruction:			
Salaries	\$1,827,048	\$1,822,438	\$ 4,610
Commodities	73,941	74,366	(425)
Services	565,994	535,428	30,566
Equipment — educational	28,760	24,388	4,372
Building and sites	3,078	2,987	91
Fixed charges	456,951	439,248	17,703
Total instruction	<u>\$2,955,772</u>	<u>\$2,898,855</u>	<u>\$ 56,917</u>
Pupil support services:			
Salaries	\$ 242,756	\$ 229,874	\$ 12,882
Commodities	3,059	2,527	532
Services	187,309	118,151	69,158
Equipment — educational	933	528	405
Building and sites	59	44	15
Fixed charges	74,687	65,378	9,309
Total pupil support services	<u>\$ 508,803</u>	<u>\$ 416,502</u>	<u>\$ 92,301</u>
Administrative support services:			
Salaries	\$ 85,569	\$ 101,382	\$(15,813)
Commodities	9,915	11,215	(1,300)
Services	49,750	47,953	1,797
Equipment — educational	2,603	2,176	427
Building and sites	1,540	1,034	506
Fixed charges	25,587	28,167	(2,580)
Total administrative support services	<u>\$ 174,964</u>	<u>\$ 191,927</u>	<u>\$(16,963)</u>



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)
For the Fiscal Year Ended June 30, 2011
With Comparative Amounts for the Fiscal Year Ended June 30, 2010
(Thousands of dollars)

	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>2011 Over/(Under) 2010</u>
Facilities support services:			
Salaries	\$ 95,156	\$ 91,296	\$ 3,860
Commodities	92,338	87,818	4,520
Services	151,993	138,139	13,854
Equipment — educational	2,451	2,244	207
Building and sites	31,047	25,838	5,209
Fixed charges	<u>43,780</u>	<u>40,391</u>	<u>3,389</u>
Total facilities support services	<u>\$416,765</u>	<u>\$385,726</u>	<u>\$31,039</u>
Instructional support services:			
Salaries	\$296,582	\$297,356	\$ (774)
Commodities	19,595	17,717	1,878
Services	38,507	42,295	(3,788)
Equipment — educational	6,249	2,074	4,175
Building and sites	1,215	1,102	113
Fixed charges	<u>69,127</u>	<u>72,440</u>	<u>(3,313)</u>
Total instructional support services	<u>\$431,275</u>	<u>\$432,984</u>	<u>\$ (1,709)</u>
Food services:			
Salaries	\$ 67,638	\$ 65,941	\$ 1,697
Commodities	93,278	92,013	1,265
Services	3,143	3,811	(668)
Equipment — educational	—	1,529	(1,529)
Building and sites	—	—	—
Fixed charges	<u>37,266</u>	<u>33,534</u>	<u>3,732</u>
Total food services	<u>\$201,325</u>	<u>\$196,828</u>	<u>\$ 4,497</u>



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

GENERAL OPERATING FUND

DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)

For the Fiscal Year Ended June 30, 2011

With Comparative Amounts for the Fiscal Year Ended June 30, 2010

(Thousands of dollars)

	Fiscal Year 2011	Fiscal Year 2010	2011 Over/(Under) 2010
Community services:			
Salaries	\$ 14,509	\$ 16,277	\$ (1,768)
Commodities	3,353	2,837	516
Services	21,605	24,861	(3,256)
Equipment — educational	771	351	420
Building and sites	403	494	(91)
Fixed charges	5,207	5,511	(304)
Total community services	<u>\$ 45,848</u>	<u>\$ 50,331</u>	<u>\$ (4,483)</u>
Teacher's Pension:			
Fixed charges	\$ 149,377	\$ 294,424	\$(145,047)
Total teachers' pension	<u>\$ 149,377</u>	<u>\$ 294,424</u>	<u>\$(145,047)</u>
Capital outlay:			
Salaries	\$ 4,168	\$ 5,296	\$ (1,128)
Commodities	3,494	2,869	625
Services	7,815	3,334	4,481
Equipment — educational	126	370	(244)
Building and sites	17	363	(346)
Fixed charges	1,358	1,695	(337)
Total capital outlay	<u>\$ 16,978</u>	<u>\$ 13,927</u>	<u>\$ 3,051</u>
Debt service:			
Fixed charges	\$ —	\$ 2,710	\$ (2,710)
Total debt service	<u>\$ —</u>	<u>\$ 2,710</u>	<u>\$ (2,710)</u>
Other:			
Salaries	\$ 825	\$ 442	\$ 383
Commodities	—	—	—
Services	12	4	8
Equipment — educational	3	—	3
Building and sites	—	—	—
Fixed charges	8,005	11,482	(3,477)
Total other	<u>\$ 8,845</u>	<u>\$ 11,928</u>	<u>\$ (3,083)</u>
Total expenditures	<u><u>\$4,909,952</u></u>	<u><u>\$4,896,142</u></u>	<u><u>\$ 13,810</u></u>

Note: This schedule was prepared using the modified accrual basis of accounting.



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

OTHER FINANCING SOURCES AND (USES)

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General operating fund:				
Capital leases	\$ —	\$ —	\$ —	\$ —
Transfers in/(out)	1,527	7,711	15,071	328
Total general operating fund	<u>\$ 1,527</u>	<u>\$ 7,711</u>	<u>\$ 15,071</u>	<u>\$ 328</u>
All other governmental funds:				
Gross amounts from debt issuances	\$721,138	\$308,635	\$ 765,995	\$ 524,260
Premiums on bonds issued	—	8,803	21,043	43,450
Insurance proceeds	—	—	—	—
Sales of general capital assets	—	—	—	—
Payment to refunded bond escrow agent	—	—	(534,375)	(282,478)
Transfers in/(out)	(1,527)	(7,711)	(15,071)	(328)
Amount from notes	—	—	—	5,500
Discounts on bonds issued	(8)	—	—	—
Proceeds from swaps	—	—	—	—
Total all other governmental funds	<u>\$719,603</u>	<u>\$309,727</u>	<u>\$ 237,592</u>	<u>\$ 290,404</u>



<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 3,700	\$ —	\$ —	\$ —	\$ —	\$ —
445	1,904	3,813	20,389	17,851	109,830
<u>\$ 4,145</u>	<u>\$ 1,904</u>	<u>\$ 3,813</u>	<u>\$ 20,389</u>	<u>\$ 17,851</u>	<u>\$ 109,830</u>
\$385,603	\$355,805	\$ 1,674,555	\$ 225,675	\$1,083,260	\$ 638,790
4,124	14,444	41,226	—	6,459	14,700
—	—	—	1,155	—	—
—	25,673	6,404	91	—	—
—	—	(1,474,081)	(226,408)	(288,704)	(269,483)
(445)	(1,904)	(3,813)	(20,389)	(17,851)	(109,830)
—	—	—	—	—	—
(326)	—	—	—	—	—
19,345	—	—	—	—	—
<u>\$408,301</u>	<u>\$394,018</u>	<u>\$ 244,291</u>	<u>\$ (19,876)</u>	<u>\$ 783,164</u>	<u>\$ 274,177</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

RATIO OF DEBT SERVICE TO NON-CAPITAL EXPENDITURES

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Thousands of dollars)

<u>Fiscal Year</u>	<u>Debt Service</u>	<u>Non-Capital</u>	<u>Ratio</u>
2002	219,894	3,712,360	0.06 : 1
2003	255,239	3,849,260	0.07 : 1
2004	259,590	4,016,680	0.07 : 1
2005	315,809	4,176,785	0.08 : 1
2006	214,652	4,298,325	0.05 : 1
2007	342,179	4,486,331	0.08 : 1
2008	260,438	4,651,285	0.06 : 1
2009	301,169	5,019,838	0.06 : 1
2010	383,887	5,266,102	0.07 : 1
2011	332,097	5,225,071	0.06 : 1





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CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

(Rate per \$100 of equalized assessed valuation)

<u>School Direct Rates</u>	<u>2002</u>	<u>2003</u>	<u>2004 (A)</u>
Education	\$2.712	\$2.670	\$2.258
Medicare	0.031	0.017	—
Worker's and Unemployment Compensation/Tort Immunity	0.191	0.150	0.219
PBC Operation & Maintenance	0.685	0.609	0.565
Public Building Commission	0.125	0.116	0.100
TOTAL DIRECT RATE:	<u>\$3.744</u>	<u>\$3.562</u>	<u>\$3.142</u>
Chicago Finance Authority	0.223	0.177	0.151
City of Chicago	1.637	1.591	1.380
Chicago City Colleges	0.307	0.280	0.246
Chicago Park District	0.567	0.545	0.464
Metropolitan Water Reclamation District	0.401	0.371	0.361
Cook County	0.746	0.690	0.630
Cook County Forest Preserve	0.067	0.061	0.059
TOTAL FOR ALL GOVERNMENTS:	<u>\$7.692</u>	<u>\$7.277</u>	<u>\$6.433</u>

Source: Cook County Clerk's Office

Notes:

- A. Beginning fiscal year 2004, the tax levy for Medicare has been consolidated with the Education tax rate.
- B. Beginning in fiscal year 2008, the tax levy for PBC Operations & Maintenance has been consolidated with the Education tax rate.
- C. Beginning fiscal year 2009, the tax levy for Chicago Finance Authority has been consolidated with the Education tax rate.

See note 3 of the Financial Statements regarding the legal restrictions on the ability to raise the direct rate.



Revenue Capacity

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008 (B)</u>	<u>2009 (C)</u>	<u>2010</u>	<u>2011</u>
\$2.301	\$2.143	\$2.078	\$2.376	\$2.426	\$2.204	\$2.449
—	—	—	—	—	—	—
0.131	0.228	0.021	0.191	0.031	0.148	0.067
0.576	0.565	0.521	—	—	—	—
0.096	0.090	0.077	0.016	0.015	0.014	0.065
\$3.104	\$3.026	\$2.697	\$2.583	\$2.472	\$2.366	\$2.581
0.177	0.127	0.118	0.091	—	—	—
1.302	1.243	1.062	1.044	1.147	1.098	1.132
0.242	0.234	0.205	0.159	0.156	0.150	0.151
0.455	0.443	0.379	0.355	0.323	0.309	0.319
0.347	0.315	0.284	0.263	0.252	0.261	0.274
0.593	0.533	0.500	0.446	0.415	0.394	0.423
0.060	0.060	0.057	0.053	0.051	0.049	0.051
<u>\$6.280</u>	<u>\$5.981</u>	<u>\$5.302</u>	<u>\$4.994</u>	<u>\$4.816</u>	<u>\$4.627</u>	<u>\$4.931</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years
(Thousands of dollars)

Tax Year of Levy	Fiscal Year of Extension	Total Tax Extension	Collected within the Fiscal Year of Extension (A)		Collections in Subsequent Years	Total Collections to Date (B)	
			Amount	Percentage of Extension		Amount	Percentage of Extension
2001	2002	\$1,571,962	\$ 694,681	44.19%	\$ 851,678	\$1,546,359	98.37%
2002	2003	1,614,473	753,457	46.67%	825,071	1,578,528	97.77%
2003	2004	1,670,337	757,156	45.33%	866,058	1,623,214	97.18%
2004	2005	1,716,111	769,982	44.87%	912,635	1,682,617	98.05%
2005	2006	1,794,063	804,755	44.86%	940,470	1,745,225	97.28%
2006	2007	1,874,750	835,191	44.55%	977,486	1,812,677	96.69%
2007	2008	1,901,887	865,576	45.51%	995,588	1,861,164	97.86%
2008	2009	2,001,751	916,129	45.77%	1,054,109	1,970,238	98.43%
2009	2010	2,001,252	1,024,263	51.18%	919,940	1,944,203	97.15%
2010	2011	2,118,541	1,021,564	48.22%	—	—	—

Notes:

- A. The amount does not represent a full year's tax collection.
- B. The total amount collected to date is net of refunds.





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CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years
(Thousands of dollars)

Tax Year Levy	Fiscal Year	Assessed Values (A)				Total
		Class 2 (B)	Class 3 (C)	Class 5 (D)	Other (E)	
2001	2002	\$ 8,973,796	\$1,923,257	\$ 8,757,366	\$354,036	\$20,008,455
2002	2003	9,221,622	1,865,646	8,878,142	349,371	20,314,781
2003	2004	12,677,199	2,233,572	10,303,731	487,680	25,702,182
2004	2005	12,988,216	1,883,048	10,401,429	465,462	25,738,155
2005	2006	13,420,538	1,842,613	10,502,698	462,099	26,227,948
2006	2007	18,521,873	2,006,898	12,157,149	688,868	33,374,788
2007	2008	18,937,256	1,768,927	12,239,086	678,196	33,623,465
2008	2009	19,339,573	1,602,768	12,359,537	693,239	33,995,117
2009	2010	18,311,981	1,812,850	10,720,244	592,364	31,437,439
2010	2011	18,120,678	1,476,291	10,407,012	561,682	30,565,663

NOTES:

- A. Source: Cook County Assessor's Office
- B. Residential, six units and under
- C. Residential, seven units and over and mixed-use
- D. Industrial/Commercial
- E. Vacant, not-for-profit and industrial/commercial incentive classes
- F. Source: Illinois Department of Revenue
- G. Source: Cook County Clerk's Office — Total equalized assessed value is net of exemptions and includes assessment of pollution control facilities. Excludes DuPage County Valuation.
- H. Property in the City of Chicago is reassessed once every three years. Tax rates are per \$100 of the equalized assessed value.
- I. Source: The Civic Federation — Excludes railroad property



<u>State Equalization Factor (F)</u>	<u>Total Equalized Assessed Value (G)</u>	<u>Total Direct Tax Rate (H)</u>	<u>Total Estimated Fair Cash Value (I)</u>	<u>Total Equalized Assessed Value as a Percentage of Total Estimated Fair Cash Value (%)</u>
2.3098	\$41,981,912	3.744	\$164,572,708	25.51%
2.4689	45,330,892	3.562	189,362,475	23.94%
2.4598	53,168,632	3.142	263,482,258	20.18%
2.5757	55,277,096	3.104	262,080,627	21.09%
2.7320	59,304,530	3.026	286,354,518	20.71%
2.7076	69,511,192	2.697	329,770,733	21.08%
2.8439	73,645,316	2.583	320,503,503	22.98%
2.9786	80,977,543	2.472	310,888,609	26.05%
3.3701	84,586,808	2.366	280,288,730	30.18%
3.3000	82,087,170	2.581	N/A	N/A



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

PRINCIPAL PROPERTY TAX PAYERS, BASED ON EQUALIZED ASSESSED VALUATION
Last Ten Fiscal Years
(Thousands of dollars)

Property	2010			2009		
	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation
Willis Tower	\$ 495,000	1	0.60%	\$ 505,515	1	0.60%
AON Building	335,454	2	0.41%	375,441	2	0.44%
Prudential Plaza	305,026	3	0.37%	318,635	3	0.38%
Water Tower Place	231,000	4	0.28%	235,907	5	0.28%
Chase Tower	226,875	5	0.28%	231,694	6	0.27%
Three First National Plaza	226,222	6	0.28%	231,028	7	0.27%
131 S. Dearborn	210,502	7	0.26%	212,725	8	0.25%
Franklin Center	209,723	8	0.26%	256,590	4	0.30%
One North Wacker	207,127	9	0.25%	211,526	9	0.25%
Citigroup Center	191,070	10	0.23%	—	—	—
Leo Burnett Building	—	—	—	208,973	10	0.25%
Equity Office Properties	—	—	—	—	—	—
Lakeside Tech Ct.	—	—	—	—	—	—
Chicago Mercantile Exchange	—	—	—	—	—	—
Citicorp Plaza	—	—	—	—	—	—
Hyatt Regency Hotel	—	—	—	—	—	—
	<u>\$2,637,999</u>		<u>3.22%</u>	<u>\$2,788,034</u>		<u>3.29%</u>

Property	2005			2004		
	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation
Willis Tower	\$ 519,080	1	0.88%	\$ 489,383	1	0.89%
AON Building	341,767	2	0.58%	322,214	2	0.58%
Prudential Plaza	295,933	3	0.50%	279,002	3	0.50%
Water Tower Place	183,187	9	0.31%	172,706	9	0.31%
Chase Tower	259,021	5	0.44%	244,202	5	0.44%
Three First National Plaza	190,340	7	0.32%	179,451	7	0.32%
131 S. Dearborn	—	—	—	—	—	—
Franklin Center	268,519	4	0.45%	253,156	4	0.46%
One North Wacker	—	—	—	—	—	—
Citigroup Center	205,727	6	0.35%	193,957	6	0.35%
Leo Burnett Building	188,219	8	0.32%	177,450	8	0.32%
Equity Office Properties	179,134	10	0.30%	168,886	10	0.31%
Lakeside Tech Ct.	—	—	—	—	—	—
Chicago Mercantile Exchange	—	—	—	—	—	—
Citicorp Plaza	—	—	—	—	—	—
Hyatt Regency Hotel	—	—	—	—	—	—
	<u>\$2,630,927</u>		<u>4.45%</u>	<u>\$2,480,407</u>		<u>4.48%</u>

Source: Cook County Treasurer's Office and Cook County Assessor's Office



Revenue Capacity

2008			2007			2006		
Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation
\$ 540,074	1	0.67%	\$ 514,662	1	0.70%	\$ 493,803	1	0.71%
392,192	2	0.48%	374,456	2	0.51%	356,510	2	0.51%
307,510	3	0.38%	293,604	4	0.40%	279,532	4	0.40%
242,014	6	0.30%	231,069	6	0.31%	219,995	6	0.32%
262,114	5	0.32%	250,261	5	0.34%	238,266	5	0.34%
215,666	10	0.27%	205,913	10	0.28%	196,044	9	0.28%
218,722	9	0.27%	208,906	9	0.28%	—	—	—
294,569	4	0.36%	297,653	3	0.40%	283,387	3	0.41%
—	—	—	—	—	—	189,061	10	0.27%
226,458	7	0.28%	216,217	7	0.29%	205,854	7	0.30%
221,846	8	0.27%	211,813	8	0.29%	201,662	8	0.29%
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
<u>\$2,921,165</u>		<u>3.60%</u>	<u>\$2,804,554</u>		<u>3.80%</u>	<u>\$2,664,114</u>		<u>3.83%</u>

2003			2002			2001		
Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation
\$ 467,362	1	0.88%	\$ 417,723	1	0.92%	\$ 395,636	1	0.94%
307,715	2	0.58%	283,923	2	0.63%	255,702	2	0.61%
241,765	4	0.45%	230,946	3	0.51%	207,991	4	0.50%
171,376	7	0.32%	145,665	10	0.32%	—	—	—
266,448	3	0.50%	230,071	4	0.51%	207,203	5	0.49%
169,466	8	0.32%	150,438	8	0.33%	135,485	10	0.32%
—	—	—	—	—	—	—	—	—
233,214	5	0.44%	196,455	5	0.43%	202,096	6	0.48%
—	—	—	—	—	—	—	—	—
185,230	6	0.35%	155,794	7	0.34%	140,309	8	0.33%
—	—	—	148,240	9	0.33%	—	—	—
—	—	—	—	—	—	—	—	—
164,935	9	0.31%	160,564	6	0.35%	—	—	—
161,286	10	0.30%	—	—	—	234,430	3	0.56%
—	—	—	—	—	—	145,476	7	0.35%
—	—	—	—	—	—	139,957	9	0.33%
<u>\$2,368,797</u>		<u>4.45%</u>	<u>\$2,119,819</u>		<u>4.67%</u>	<u>\$2,064,285</u>		<u>4.91%</u>

STATISTICAL SECTION



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF REPLACEMENT TAX DATA
Last Ten Fiscal Years

Statewide Replacement Tax Data (A)

Calendar Year	Invested Capital Tax Collections	Business Income Tax Collections (Net of Refunds)	Net Adjustments (C)	Total Replacement Tax Allocations to Local Govts.	Board Percent (H)
2002	\$207,501,611	\$ 568,278,611	\$ (5,993,471)	\$ 769,786,751	14.00%
2003	199,943,717	579,537,177	(1,991,328)	777,489,566	14.00%
2004	227,782,071	601,155,429	41,328,938	870,266,438	14.00%
2005	213,905,309	870,816,418	111,548,531	1,196,270,258	14.00%
2006	227,423,096	1,016,872,677	39,747,236	1,284,043,009	14.00%
2007	211,708,013	1,220,116,567	86,763,391	1,518,587,971	14.00%
2008	212,367,886	1,196,441,849	87,136,806	1,495,946,541	14.00%
2009	205,330,651	987,176,180	69,521,623	1,262,028,454	14.00%
2010	203,650,450	978,009,221	179,094,552	1,360,754,223	14.00%
2011(G)	197,555,304	890,754,575	68,863,762	1,157,173,641	14.00%

NOTES:

- A. Source: Illinois Department of Revenue
- B. Source: Board of Education of the City of Chicago
- C. Consists of adjustments for administrative fees, interest earned on deposits, interfund transfers, timing of collections and payments and related items.
- D. All Board's debt for which there was a statutory replacement tax obligation was retired by the end of 1995.
- E. The amount of the Statutory Claim for pension and retirement purposes has varied over the past 10 years, primarily as a result of (a) increases in required employer contributions funded from property taxes as a consequence of increased payroll and employee contributions (1985-1990 and 1994-1995), (b) a temporary suspension of the statutory requirement that property taxes be applied to pension and retirement purposes (1991-1993), and (c) the suspension of the statutory requirement that property taxes be applied to pension and retirement purposes (1996 and all years thereafter).
- F. Reflects reductions to pay applicable Statutory Claims. All Statutory Claims with respect to debt service have been paid and, under the Statue Revenue Sharing Act, no future Statutory Claims with respect to debt service will arise or need to be paid.
- G. Replacement tax collection for January 1, 2011 – October, 2011 only.
- H. Percentage rounded.
- I. Estimated.



Board Replacement Tax Data (B)

Allocations to Board	Statutory Claims (B)		Remainder after Allocations for Statutory Claims	Pro-Forma Pledged Revenues (F)	Fiscal Year Recorded Revenues
	Allocations for Prior Debt Service (D)	Allocations for Pension Obligations (E)			
\$107,800,973	\$—	\$—	\$107,800,973	\$107,800,973	\$114,313,000
108,879,677	—	—	108,879,677	108,879,677	105,959,557
121,872,155	—	—	121,872,155	121,872,155	120,427,242
167,525,745	—	—	167,525,745	167,525,745	145,724,052
179,817,446	—	—	179,817,446	179,817,446	184,699,266
212,663,134	—	—	212,663,134	212,663,134	201,509,427
209,492,428	—	—	209,492,428	209,492,428	215,488,652
176,734,528	—	—	176,734,528	176,734,528	188,503,101
190,560,089	—	—	190,560,089	190,560,089	152,497,491
172,584,811	—	—	172,584,811	172,584,811	197,761,584

Monthly Summary of the Total Allocations to the Board of Education

Calendar Year	January	March	April	May	July	August	October	December	Total
2002	\$16,842,147	\$ 6,478,868	\$25,630,253	\$12,181,929	\$16,948,258	\$ 2,701,807	\$19,106,650	\$ 7,911,061	\$107,800,973
2003	14,730,281	6,208,549	25,757,619	12,117,348	17,426,241	1,749,411	16,757,860	14,132,368	108,879,677
2004	19,906,464	8,669,066	26,475,210	13,494,987	19,241,877	8,379,867	19,602,544	6,102,140	121,872,155
2005	21,166,525	11,653,412	33,977,017	18,816,369	26,026,179	20,284,121	27,393,274	8,208,848	167,525,745
2006	24,520,445	8,553,752	38,608,787	24,789,508	32,340,532	10,213,846	32,635,826	8,154,750	179,817,446
2007	23,706,088	12,541,684	42,960,330	35,720,916	35,575,987	15,691,722	32,603,768	13,862,639	212,663,134
2008	28,898,261	13,371,613	37,943,940	40,606,164	32,510,546	17,770,472	29,019,609	9,371,823	209,492,428
2009	21,095,325	7,777,403	37,489,531	36,561,422	29,417,516	3,022,112	33,592,731	7,778,488	176,734,528
2010	22,103,156	8,619,712	32,076,622	22,475,680	22,828,990	2,997,879	43,980,968	35,477,082	190,560,089
2011	18,180,918	10,057,508	36,489,761	26,235,905	24,341,562	6,092,825	40,652,479	10,533,853(l)	172,584,811



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education
CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS
For the Fiscal Year Ended June 30, 2011

<u>TIF District</u>	<u>Date TIF Initiated</u>	<u>Date TIF Matures</u>	<u>Initial EAV \$</u>	<u>2010 EAV \$</u>	<u>% Change in EAV (for 2010)</u>
Addison Corridor North	6/4/1997	2020	\$ 14,400,224	\$ 47,636,775	230.8%
Addison South	5/9/2007	2031	70,940,232	124,064,464	74.9%
Archer Courts	5/12/1999	2023	85,326	6,335,530	7325.1%
Archer/Central	5/17/2000	2024	37,646,911	56,001,118	48.8%
Archer/Western	2/11/2009	2033	117,506,250	126,461,703	7.6%
Armitage Pulaski	6/13/2007	2031	17,643,508	25,191,555	42.8%
Austin Commercial	9/27/2007	2031	72,287,864	104,017,404	43.9%
Avalon Park/South Shore	7/31/2002	2026	22,180,151	38,461,018	73.4%
Avondale	7/29/2009	2033	40,426,760	44,402,719	9.8%
Belmont/Central	1/12/2000	2024	74,974,945	142,081,204	89.5%
Belmont/Cicero	1/12/2000	2024	33,673,880	61,345,667	82.2%
Bronzeville	11/4/1998	2022	46,166,304	136,514,018	195.7%
Bryn Mawr/Broadway	12/11/1996	2019	17,682,409	62,008,208	250.7%
Calumet/Cermak	7/29/1998	2021	3,219,685	178,482,868	5443.5%
Calumet River	2/10/2010	2034	14,220,381	10,722,424	-24.6%
Canal/Congress	11/12/1998	2022	36,872,487	423,657,367	1049.0%
Central West	2/16/2000	2024	85,481,254	390,696,219	357.1%
Chatham Ridge	12/18/1986	2010	2,623,722	Expired	—
Chicago/Central Park	2/27/2002	2026	84,789,947	230,193,889	171.5%
Chicago/Kingsbury	4/12/2000	2024	38,520,706	353,959,892	818.9%
Chinatown	12/18/1986	2010	131,657	Expired	—
Cicero/Archer	5/17/2000	2024	19,629,324	38,194,401	94.6%
Clark/Montrose	7/7/1999	2022	23,433,096	75,640,559	222.8%
Clark/Ridge	9/29/1999	2022	39,619,368	87,516,907	120.9%
Commercial Ave.	11/13/2002	2026	40,748,652	74,213,016	82.1%
Devon/Sheridan	3/31/2004	2028	46,265,220	62,061,979	34.1%
Devon/Western	11/3/1999	2023	71,430,503	137,150,578	92.0%
Diversey/Narragansett	2/5/2003	2027	34,746,231	79,702,322	129.4%
Division/Homan	6/27/2001	2025	24,683,716	57,246,516	131.9%
Division/Hooker	7/10/1996	2019	380,624	3,962,907	941.2%
Division/North Branch	3/15/1991	2014	482,150	5,583,838	1058.1%
Drexel Blvd.	7/10/2002	2026	127,408	7,306,735	5634.9%
Eastman/North Branch	10/7/1993	2016	2,222,210	6,463,787	190.9%
Edgewater	12/18/1986	2009	479,172	6,084,362	1169.8%
Edgewater/Ashland	10/1/2003	2027	1,875,282	13,840,849	638.1%
Elston Armstrong	7/19/2007	2031	45,742,226	54,871,517	20.0%
Englewood Mall	11/29/1989	2012	3,868,736	10,850,853	180.5%



CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2010 EAV \$	% Change in EAV (for 2010)
Englewood Neighborhood	6/27/2001	2025	\$ 56,079,946	\$ 179,207,907	219.6%
Ewing Avenue	3/10/2010	2034	52,994,264	57,510,942	8.5%
Fullerton/Milwaukee	2/16/2000	2024	85,157,390	237,556,311	179.0%
Galewood/Armitage Industrial	7/7/1999	2022	48,056,697	110,265,773	129.4%
Goose Island	7/10/1996	2019	13,676,187	89,748,250	556.2%
Greater Southwest (West)	4/12/2000	2024	115,603,413	121,837,835	5.4%
Harlem Industrial Park	3/14/2007	2031	45,981,764	48,555,094	5.6%
Harrison/Central	7/26/2006	2030	43,430,700	60,196,660	38.6%
Hollywood/Sheridan	11/7/2007	2031	158,696,916	168,401,219	6.1%
Homan/Grand Trunk	12/15/1993	2016	35,753	5,326,114	14797.0%
Homan/Arthington	2/5/1998	2021	2,658,362	14,224,094	435.1%
Howard/Paulina	10/14/1988	2012	10,081,104	37,324,479	270.2%
Humbolt Park Commercial	6/27/2001	2025	32,161,252	97,650,114	203.6%
Irving Park/Cicero	6/10/1996	2020	8,150,631	21,071,680	158.5%
Irving Park/Elston	5/13/2009	2033	44,853,282	50,762,276	13.2%
Jefferson Park	9/9/1998	2021	23,970,085	45,838,810	91.2%
Jefferson/Roosevelt	8/30/2000	2024	52,292,656	154,571,485	195.6%
Kennedy Kimball	3/12/2008	2032	72,841,679	80,580,773	10.6%
Kinzie Industrial Corridor	6/10/1998	2021	144,961,719	536,015,916	269.8%
Kostner Ave.	11/5/2008	2032	2,794,764	1,789,549	-36.0%
Lake Calumet	12/13/2000	2024	176,186,639	247,285,421	40.4%
Lakefront	3/27/2002	2026	—	4,491,332	—
Lakeside Dev Phase 1	5/12/2010	2034	3,489,242	365,495	-89.5%
Lakeside/Clarendon	7/21/2004	2028	3,091,585	3,938,840	27.4%
LaSalle Central	11/15/2006	2030	4,192,597,468	4,418,297,927	5.4%
Lawrence/Broadway	6/27/2001	2025	38,603,611	112,759,820	192.1%
Lawrence/Kedzie	2/16/2000	2024	110,395,843	263,904,671	139.1%
Lawrence/Pulaski	2/27/2002	2026	43,705,743	80,866,286	85.0%
Lincoln Avenue	11/3/1999	2023	63,741,191	120,477,009	89.0%
Lincoln/Belmont/Ashland	11/2/1994	2017	2,457,347	24,489,690	896.6%
Little Village East	4/22/2009	2033	44,751,945	46,731,581	4.4%
Little Village Ind.	6/13/2007	2031	88,054,895	90,922,076	3.3%
Madden/Wells	11/6/2002	2026	1,333,582	25,203,175	1789.9%
Madison/Austin Corridor	9/29/1999	2023	48,748,259	97,655,660	100.3%
Michigan/Cermak	9/13/1989	2013	5,858,634	51,865,141	785.3%
Midway Ind. Corridor	2/16/2000	2024	48,652,950	78,902,790	62.2%
Midwest	5/17/2000	2024	98,090,835	441,351,025	349.9%
Montclare	8/30/2000	2024	792,770	8,623,887	987.8%
Montrose/Clarendon	6/30/2010	2034	—	—	—
Near North	7/30/1997	2020	41,671,541	402,934,069	866.9%



CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2010 EAV \$	% Change in EAV (for 2010)
Near South	11/28/1990	2014	\$128,549,547	\$1,421,412,130	1005.7%
Near West	3/23/1989	2013	36,805,658	310,714,927	744.2%
North Ave./Cicero	7/30/1997	2020	5,658,542	28,274,011	399.7%
North Branch North	7/2/1997	2021	29,574,537	117,015,064	295.7%
North Branch South	2/5/1998	2021	44,361,677	175,930,747	296.6%
North Pullman	6/30/2009	2033	44,582,869	48,944,859	9.8%
NW Industrial Corridor	12/2/1998	2021	146,115,991	294,441,334	101.5%
Ogden/Pulaski	4/9/2008	2032	221,709,034	274,063,943	23.6%
Ohio/Wabash	6/7/2000	2024	1,278,143	26,944,797	2008.1%
Pershing/King	9/5/2007	2031	12,948,117	14,491,361	11.9%
Peterson/Cicero	2/16/2000	2024	1,116,653	10,938,373	879.6%
Peterson/Pulaski	2/16/2000	2024	40,112,395	58,785,195	46.6%
Pilsen Industrial Corridor	6/10/1998	2022	111,394,217	323,247,321	190.2%
Portage Park	9/9/1998	2021	65,084,552	125,323,894	92.6%
Pratt/Ridge	6/23/2004	2028	16,414,897	24,000,878	46.2%
Pulaski Corridor	6/9/1999	2022	82,778,075	154,325,336	86.4%
Randolph/Wells	6/9/2010	2034	72,140,805	73,385,678	1.7%
Ravenswood Corridor	3/9/2005	2029	44,169,275	60,211,252	36.3%
Read/Dunning	1/11/1991	2015	6,382,072	66,340,063	939.5%
River South	7/30/1997	2020	65,930,580	376,923,325	471.7%
River West	1/10/2001	2025	50,463,240	298,144,420	490.8%
Roosevelt/Canal	3/19/1997	2021	1,276,969	21,966,346	1620.2%
Roosevelt/Cicero Corridor	2/5/1998	2021	45,179,428	99,512,497	120.3%
Roosevelt/Homan	12/5/1990	2014	3,539,018	24,503,592	592.4%
Roosevelt/Racine (DOH)	11/4/1998	2022	6,992,428	45,369,473	548.8%
Roosevelt/Union	5/12/1999	2022	4,369,258	99,918,833	2186.9%
Roseland/Michigan	1/16/2002	2026	29,627,768	46,761,362	57.8%
Sanitary & Ship Canal	7/24/1991	2014	10,722,329	21,777,666	103.1%
South Chicago	4/12/2000	2024	14,775,992	50,194,219	239.7%
South Works	11/3/1999	2023	3,823,633	5,678,894	48.5%
Stevenson/Brighton Park	4/11/2007	2031	216,330,994	231,278,245	6.9%
Stockyards Annex	12/11/1996	2020	38,650,631	66,680,547	72.5%
Stockyards-Industrial	3/9/1989	2013	11,178,459	43,961,715	293.3%
Stockyards-Southeast Quad	2/26/1992	2015	21,527,824	53,061,187	146.5%
Stony Island Com/Burnside	6/10/1998	2033	46,058,038	97,293,838	111.2%
Southwest Ind. Corridor	3/10/1999	2023	17,662,923	34,647,145	96.2%
Touhy/Western	9/13/2006	2030	55,187,828	68,304,667	23.8%
Weed/Fremont	1/8/2008	2032	6,430,360	14,392,204	123.8%
West Grand	6/10/1996	2019	465,129	1,942,370	317.6%
West Irving Park	1/12/2000	2024	36,446,831	59,845,297	64.2%



CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2010 EAV \$	% Change in EAV (for 2010)
West Pullman Ind. Park	3/11/1998	2021	\$ 7,050,845	\$ 6,868,273	-2.6%
West Ridge/Peterson	10/27/1986	2010	1,617,926	Expired	—
West Woodlawn	5/12/2010	2034	127,750,505	130,001,649	1.8%
Western Ave. North	1/12/2000	2024	71,260,546	194,860,088	173.4%
Western Ave. South	1/12/2000	2024	69,504,372	205,208,651	195.2%
Western/Ogden Ind. Corridor	2/5/1998	2021	41,536,306	202,754,253	388.1%
Western/Rock Island	2/8/2006	2030	102,358,411	144,081,020	40.8%
Wilson Yard	6/27/2001	2025	56,194,225	206,174,512	266.9%
Woodlawn	1/20/1999	2022	28,865,833	96,397,469	234.0%
105th/Vincennes	10/3/2001	2025	1,268,074	8,143,193	542.2%
111th St./Kedzie	9/29/1999	2022	14,456,141	29,059,488	101.0%
119th Halsted	2/6/2002	2026	18,853,913	36,169,662	91.8%
119th/ I-57	11/6/2002	2026	16,097,672	59,246,308	268.0%
126th/Torrence	12/21/1994	2017	1,224,731	19,774,941	1514.6%
134th/Avenue K	3/12/2008	2032	6,732,703	6,128,955	-9.0%
24th/Michigan	7/21/1999	2022	15,874,286	38,663,883	143.6%
26th/King Drive	1/11/2006	2030	—	15,594,350	—
35th/Halsted	1/14/1997	2021	81,212,182	187,420,803	130.8%
35th/State	1/14/2004	2028	3,978,955	42,626,721	971.3%
35th/Wallace	12/15/1999	2023	9,047,402	25,302,438	179.7%
40th/State	3/10/2004	2028	N/A	N/A	N/A
41st/King Drive	7/13/1994	2017	129,892	4,040,262	3010.5%
43rd/Cottage Grove	7/8/1998	2022	13,728,931	71,685,305	422.1%
45th/Western Industrial	3/27/2002	2026	1,984,412	3,449,381	73.8%
47th/Ashland	3/27/2002	2026	53,606,185	104,231,237	94.4%
47th/Halsted	5/29/2002	2026	39,164,012	116,868,790	198.4%
47th/King Drive	3/27/2002	2026	61,269,066	236,308,061	285.7%
47th/State	7/21/2004	2028	19,279,360	58,112,378	201.4%
49th/St. Lawrence	1/10/1996	2020	683,377	10,422,379	1425.1%
51st/Archer	5/17/2000	2024	29,522,751	46,122,843	56.2%
53rd St.	1/10/2001	2025	23,168,822	42,276,475	82.5%
60th/Western	5/9/1996	2019	2,464,026	8,533,945	246.3%
63rd/Ashland	3/29/2006	2030	47,496,362	87,183,645	83.6%
63rd/Pulaski	5/17/2000	2024	56,171,856	105,618,981	88.0%
67th/Cicero	10/2/2002	2026	—	7,607,273	—
69th/Ashland	11/3/2004	2028	813,600	12,045,602	1380.5%
71st/Stony Island	10/7/1998	2021	53,506,755	129,091,112	141.3%
72nd/Cicero	11/17/1993	2016	6,531,993	12,502,410	91.4%
73rd/Kedzie	11/17/1993	2016	14,587,780	9,339,165	-36.0%
73rd/University	9/13/2006	2030	16,998,947	30,179,595	77.5%



Statistical Section

CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)

<u>TIF District</u>	<u>Date TIF Initiated</u>	<u>Date TIF Matures</u>	<u>Initial EAV \$</u>	<u>2010 EAV \$</u>	<u>% Change in EAV (for 2010)</u>
79th Street Corridor	7/8/1998	2021	\$ 21,576,305	\$ 41,520,935	92.4%
79th/Cicero	6/8/2005	2029	8,018,405	18,991,900	136.9%
79th/SW Highway	10/3/2001	2025	36,347,823	74,626,790	105.3%
79th/Vincennes	9/27/2007	2031	32,132,472	42,306,823	31.7%
83rd/Stewart	3/21/2004	2028	10,618,689	19,416,188	82.8%
87th/Cottage Grove	11/13/2002	2026	53,959,824	101,029,412	87.2%
89th/State	4/1/1998	2021	3,827,328	11,915,225	211.3%
95th/Stony Island	5/16/1990	2014	2,622,436	22,706,587	765.9%
95th/Western	7/13/1995	2018	16,035,773	34,038,695	112.3%
			<u>\$10,312,860,091</u>	<u>\$20,410,023,400</u>	

NOTE

State law empowers cities to create Tax Increment Financing Districts (TIFs) to finance redevelopment of blighted areas or areas at risk of blight. Taxes subsequently generated by new development and increases in property values in TIF districts are reinvested for further development. Increased tax revenues pay for general improvements such as roadways, viaducts, sewers, and sidewalk replacements or for financial assistance for developers.

State law requires the City to call a meeting of the Joint Review Board in order for the City to legally create any TIF. The Chicago Public Schools serves on this committee.

Source: Office of the Cook County Clerk Tax Increment Agency

Total 2010 EAV for the City of Chicago is \$82,092,476,319 — Source of The Cook County Report



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF NEW PROPERTY EAV AS A PERCENTAGE OF OVERALL EAV

Last Ten Fiscal Years

(Thousands of dollars)

Tax Year Levy	Fiscal Year	Agency Overall Equalized Assessed Value (A)	Components of New Property by Tax Levy Year (B)					Total New Property (A)	New property percentage of overall EAV
			New Property	Annexed Property	Disconnected Property	Recovered Tax Increment Value	Expired Incentives		
2001	2002	\$41,988,859	\$ 523,981	\$—	\$—	\$—	\$—	\$ 523,981	1.25%
2002	2003	45,330,892	516,082	—	—	743	—	516,825	1.14%
2003	2004	53,175,365	552,610	—	—	9,626	19,649	581,885	1.09%
2004	2005	55,283,639	518,653	—	—	—	—	518,653	0.94%
2005	2006	59,310,827	802,525	—	—	—	4,674	807,199	1.36%
2006	2007	69,517,264	786,042	—	—	—	8,980	795,022	1.14%
2007	2008	73,651,158	838,279	—	—	45,875	24,179	908,333	1.23%
2008	2009	80,983,239	1,073,096	—	—	2,318,769	—	3,391,865	4.19%
2009	2010	84,592,286	1,052,426	—	—	162	—	1,052,588	1.24%
2010	2011	82,092,476	727,019	—	—	104,289	18,790	850,098	1.04%

Notes:

- A. Source: Cook County Clerk's Office—Agency Tax Rate Report, includes DuPage County Valuation
- B. Source: Cook County Clerk's Office—PTELL New Property, Annexed Property, Disconnected Property, Recovered Tax Increment Report by Town Within Agency



Statistical Section

CHICAGO PUBLIC SCHOOLS

Tax Increment Financing (TIF) Agreements in Support of Chicago Public Schools

Capital Intergovernmental Agreements as of June 30, 2011

School	Total Benefit To CPS From IGA With Interest	Total Benefit Received By CPS	Amount Pending To Be Paid To CPS	Parent TIF
Modern Schools Across Chicago Program Phase I				
Collins Renovation	\$ 30,300,000	\$ 20,802,637	\$ 9,497,363	Midwest
Mather Renovation	30,984,875	30,984,875	—	Lincon Avenue
Austin Renovation	32,203,759	32,203,759	—	Madison/ Austin
Southwest Elementary (Hernandez Middle School)	32,818,102	32,818,102	—	51st/ Archer
South Shore Replacement HS	72,164,382	72,164,382	—	71st/ Stony Island
Additional Westinghouse HS Funding and Refunding	17,752,030	17,752,030	—	Chicago/ Central Park
Skinner Replacement Elementary	36,166,043	36,166,043	—	Central/ West
Avondale Irving Park Elementary	10,766,724	10,766,724	—	Fullerton/ Milwaukee
Boone Clinton Elementary	8,142,740	8,142,740	—	Touhy/ Western
Belmont Cragin Elementary	8,097,471	8,097,471	—	Galewood/ Armitage
Peterson Addition	15,150,000	14,564,156	585,844	Lawrence/ Kedzie
Modern Schools Across Chicago Program Phase II				
Avondale Irving Park Elementary	25,000,000	4,290,000	20,710,000	Fullerton/ Milwaukee
Belmont Cragin Elementary	31,300,000	22,473,977	8,826,023	Galewood/ Armitage
Hernandez Middle School	9,540,000	5,143,952	4,396,048	51st/ Archer
Boone Clinton Elementary	18,655,000	12,614,530	6,040,470	Touhy/ Western
Chicago Ag West High School (Al Raby Horticultural)	22,000,000	—	22,000,000	Midwest
Westinghouse High School	32,920,000	12,440,000	20,480,000	Chicago/ Central Park
Back of the Yards HS	19,800,000	2,570,000	17,230,000	47th/ Ashland
Modern Schools Across Chicago Program Future Payments				
Austin Renovation	5,570,000	—	5,570,000	Madison/ Austin
Skinner Replacement Elementary	6,120,000	—	6,120,000	Central/ West
Peterson Addition	2,900,000	—	2,900,000	Lawrence/ Kedzie
Brighton Park II Elementary	25,420,000	—	25,420,000	Stevenson/ Brighton
MSAC Subtotal	\$493,771,126	\$343,995,379	\$149,775,747	



**Tax Increment Financing (TIF) Agreements in Support of Chicago Public Schools
Capital Intergovernmental Agreements as of June 30, 2011 (continued)**

School	Total Benefit To CPS From IGA With Interest	Total Benefit Received By CPS	Amount Pending To Be Paid To CPS	Parent TIF
ADA Accessibility -Year 1				
Beidler Elementary	\$ 750,000	\$—	\$ 750,000	Kinzie Industrial
Brown Elementary	1,500,000	—	1,500,000	Central West
Creiger Campus	750,250	—	750,250	Central West
Dodge Elementary	750,000	—	750,000	Midwest
Fiske Elementary	1,500,000	—	1,500,000	Woodlawn
Holmes Elementary	750,000	—	750,000	Englewood Neighborhood
Manierre Elementary	750,000	—	750,000	Near North
Mays Elementary	750,000	—	750,000	Englewood Neighborhood
McAuliffe Elementary	750,000	—	750,000	Pulaski Corridor
Mollison Elementary	750,000	—	750,000	47th/ King Drive
Morton Elementary	750,000	—	750,000	Kinzie Industrial
Nicholson Elementary	750,000	—	750,000	Englewood Neighborhood
Ryerson Elementary	750,000	—	750,000	Chicago/ Central Park
Schiller Elementary	1,500,000	—	1,500,000	Near North
Seward Elementary	1,500,000	—	1,500,000	47th/ Ashland
ADA Accessibility -Years 2-5				
Attucks-Farren Building	1,000,000	—	1,000,000	47th / King
Burke Elementary	1,000,000	—	1,000,000	47th / State
Banneker Elementary	2,000,000	—	2,000,000	Englewood Neighborhood
Armour Elementary	2,673,750	—	2,673,750	35th / Halsted
Hearst Elementary	2,219,500	—	2,219,500	Cicero/Archer
Lawndale Elementary	2,500,000	—	2,500,000	Midwest
Plamondon Elementary	1,748,000	—	1,748,000	Western /Ogden Industrial Corridor
Schurz High School	2,100,000	—	2,100,000	Portage Park
Hayt Elementary	670,000	—	670,000	Clark/Ridge
Peterson Elementary	500,000	—	500,000	Lawrence/Kedzie
Chappell Elementary	1,500,000	—	1,500,000	Western Ave. North
ADA Subtotal	\$32,161,500	\$—	\$32,161,500	



Statistical Section

**Tax Increment Financing (TIF) Agreements in Support of Chicago Public Schools
Capital Intergovernmental Agreements as of June 30, 2011 (continued)**

School	Total Benefit To CPS From IGA With Interest	Total Benefit Received By CPS	Amount Pending To Be Paid To CPS	Parent TIF
Other Capital Intergovernmental Agreements				
Walter Payton HS and Jenner School	\$ 11,125,000	\$ 11,125,000	\$ —	Near North
Jones Academic High School Renovation/ Addition	67,000,000	32,119,344	34,880,656	Near South
National Teachers Academy	79,335,695	29,900,000	49,435,695	24th/ Michigan
Simeon High School	22,184,925	16,556,257	5,628,668	Chatham Ridge
Albany Park Middle Park	45,345,000	28,662,826	—	*Lawrence/ Kedzie
Juarez High School Addition	22,948,600	4,869,000	18,079,600	Pilsen
DePriest Elementary	33,164,000	21,457,220	—	*Madison/ Austin
Additional Westinghouse HS- Refunding Debt Service	83,628,000	58,618,967	—	*Chicago/ Central Park
Canter Elementary School	150,000	150,000	—	53rd Street
Orozoco Elementary Health Center School	250,000	250,000	—	Western/ Ogden
Lane Tech High School Stadium	1,892,100	—	1,892,100	Western Avenue South
Coonley Middle School	2,201,500	—	2,201,500	Western Avenue South
Arai/ Uplift Elementary School	1,447,244	—	1,447,244	Wilson Yard
Arai/ Uplift Elementary School Courtyard Renovations	3,495,042	—	3,495,042	Wilson Yard
Beidler Campus Park	1,000,000	—	1,000,000	Kinzie Industrial
Lloyd Elementary	750,000	—	750,000	Northwest Industrial
Other Capital IGA Subtotal	\$375,917,106	\$203,708,614	\$118,810,505	
Grand Total	\$901,849,732	\$547,703,993	\$300,747,752	

Based on intergovernmental agreements approved by City Council and executed by the City of Chicago and Chicago Public Schools as of June 30, 2011.

* City of Chicago refunded bonds to cover future principal and interest payments, no additional amounts to be paid to CPS.



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

For the Fiscal Year Ended June 30, 2011

(Thousands of dollars)

<u>Fiscal Year</u>	<u>CPS Debts</u>	<u>PBC Leases</u>	<u>Total</u>
2012	\$ 313,751	\$ 51,926	\$ 365,677
2013	301,547	51,963	353,510
2014	411,632	51,981	463,613
2015	418,622	52,029	470,651
2016	418,737	51,997	470,734
2017	411,073	52,019	463,092
2018	411,218	52,070	463,288
2019	410,894	52,099	462,993
2020	430,829	30,636	461,465
2021	463,937	—	463,937
2022	443,169	—	443,169
2023	444,387	—	444,387
2024	437,785	—	437,785
2025	437,588	—	437,588
2026	703,754	—	703,754
2027	446,563	—	446,563
2028	444,289	—	444,289
2029	445,763	—	445,763
2030	692,559	—	692,559
2031	453,647	—	453,647
2032	450,980	—	450,980
2033	140,478	—	140,478
2034	123,662	—	123,662
2035	107,660	—	107,660
2036	93,453	—	93,453
2037	74,077	—	74,077
2038	68,688	—	68,688
2039	68,167	—	68,167
2040	67,613	—	67,613
2041	66,933	—	66,933
TOTAL:	<u>\$10,203,455</u>	<u>\$446,720</u>	<u>\$10,650,175</u>



Statistical Section

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues

For the Fiscal Year Ended June 30, 2011

(Thousands of dollars)

Fiscal Year	12/3/1997 Series 1997A \$500.0 Million Bond Issue		9/24/1998 Series 1998 \$14.0 Million Bond Issue		10/28/1998 Series 1998B-1 \$328.7 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 7,332	\$ 7,913	\$14,000	\$—	\$ 7,650	\$ 6,495
2013	6,907	8,338	—	—	10,384	10,016
2014	6,501	8,744	—	—	9,753	10,647
2015	6,113	9,132	—	—	9,215	11,185
2016	5,743	9,502	—	—	8,698	11,702
2017	5,389	9,856	—	—	8,202	12,198
2018	—	—	—	—	7,763	12,637
2019	—	—	—	—	7,344	13,056
2020	—	—	—	—	14,190	27,710
2021	—	—	—	—	20,686	43,614
2022	—	—	—	—	19,607	44,693
2023	—	—	—	—	18,624	45,676
2024	—	—	—	—	16,232	42,768
2025	—	—	—	—	15,379	43,621
2026	—	—	—	—	14,607	44,393
2027	—	—	—	—	13,873	45,127
2028	—	—	—	—	13,176	45,824
2029	—	—	—	—	21,211	78,789
2030	—	—	—	—	20,145	79,855
2031	—	—	—	—	19,134	80,866
2032	—	—	—	—	18,173	81,827
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	<u>\$37,985</u>	<u>\$53,485</u>	<u>\$14,000</u>	<u>\$—</u>	<u>\$294,046</u>	<u>\$792,699</u>



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the Fiscal Year Ended June 30, 2011

(Thousands of dollars)

Fiscal Year	2/25/1999 Series 1999A \$532.5 Million Bond Issue		12/22/1999 IDFA Series 1999A \$12.0 Million Bond Issue		9/7/2000 Series 2000BCD \$303.0 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Estimated Interest (1)
2012	\$ 13,984	\$ 23,741	\$12,000	\$—	\$ —	\$ 17,420
2013	13,267	24,642	—	—	—	17,383
2014	16,588	29,277	—	—	5,400	17,301
2015	16,149	30,243	—	—	5,900	16,970
2016	15,270	31,104	—	—	6,800	16,637
2017	14,517	31,882	—	—	7,700	16,180
2018	30,694	32,162	—	—	8,200	15,711
2019	30,895	31,919	—	—	11,100	15,175
2020	31,251	31,522	—	—	12,700	14,514
2021	31,661	31,016	—	—	13,600	13,709
2022	32,201	30,458	—	—	14,400	12,881
2023	32,849	29,774	—	—	15,300	12,003
2024	33,595	29,104	—	—	16,200	11,174
2025	34,424	28,202	—	—	17,200	10,147
2026	35,381	27,259	—	—	18,200	9,079
2027	36,452	26,112	—	—	19,300	7,950
2028	7,334	25,691	—	—	20,500	6,764
2029	12,351	46,259	—	—	21,700	5,479
2030	11,722	46,888	—	—	23,000	4,132
2031	11,125	47,485	—	—	24,400	2,704
2032	19,958	90,842	—	—	23,600	1,216
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	<u>\$481,668</u>	<u>\$725,582</u>	<u>\$12,000</u>	<u>\$—</u>	<u>\$285,200</u>	<u>\$244,529</u>

(1) Variable rate interest calculated at an assumed rate of 6% per annum * outstanding unhedged principal (\$224,100,000) Interest on swapped securities assumes current interest rates remain the same as June 30, 2011.

Series 2000C computed: (2.7500% * \$61,100,000 swapped outstanding principal) + (3.823% - 0.129885%) * \$61,100,000 swapped outstanding principal



Statistical Section

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the Fiscal Year Ended June 30, 2011

(Thousands of dollars)

Fiscal Year	12/19/2000 Series 2000E \$13.4 Million Bond Issue		10/24/2001 Series 2001B \$9.4 Million Bond Issue		9/24/2002 Series 2002A \$49.0 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ —	\$—	\$ —	\$—	\$ 2,315	\$ 2,061
2013	—	—	—	—	2,405	1,969
2014	13,390	—	—	—	3,000	1,846
2015	—	—	—	—	3,150	1,692
2016	—	—	9,440	—	3,310	1,531
2017	—	—	—	—	3,475	1,361
2018	—	—	—	—	3,645	1,183
2019	—	—	—	—	3,830	992
2020	—	—	—	—	4,025	786
2021	—	—	—	—	4,240	569
2022	—	—	—	—	4,460	346
2023	—	—	—	—	4,685	117
2024	—	—	—	—	—	—
2025	—	—	—	—	—	—
2026	—	—	—	—	—	—
2027	—	—	—	—	—	—
2028	—	—	—	—	—	—
2029	—	—	—	—	—	—
2030	—	—	—	—	—	—
2031	—	—	—	—	—	—
2032	—	—	—	—	—	—
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	<u>\$13,390</u>	<u>\$—</u>	<u>\$9,440</u>	<u>\$—</u>	<u>\$42,540</u>	<u>\$14,453</u>



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the Fiscal Year Ended June 30, 2011

(Thousands of dollars)

Fiscal Year	2/13/2003 Series 2003A \$75.9 Million Bond Issue		10/28/2003 Series 2003C \$4.6 Million Bond Issue		4/6/2004 Series 2004A \$205.4 Million Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ —	\$357	\$ —	\$—	\$ —	\$10,121
2013	—	357	—	—	—	10,121
2014	6,795	178	—	—	15,840	9,725
2015	—	—	—	—	18,615	8,864
2016	—	—	—	—	36,230	7,493
2017	—	—	—	—	38,020	5,636
2018	—	—	4,585	—	23,025	4,110
2019	—	—	—	—	24,190	2,930
2020	—	—	—	—	25,410	1,690
2021	—	—	—	—	21,090	527
2022	—	—	—	—	—	—
2023	—	—	—	—	—	—
2024	—	—	—	—	—	—
2025	—	—	—	—	—	—
2026	—	—	—	—	—	—
2027	—	—	—	—	—	—
2028	—	—	—	—	—	—
2029	—	—	—	—	—	—
2030	—	—	—	—	—	—
2031	—	—	—	—	—	—
2032	—	—	—	—	—	—
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	<u>\$6,795</u>	<u>\$892</u>	<u>\$4,585</u>	<u>\$—</u>	<u>\$202,420</u>	<u>\$61,217</u>



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CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the Fiscal Year Ended June 30, 2011

(Thousands of dollars)

Fiscal Year	12/9/2004 Series 2004FGH \$56.0 Million Bond Issue		6/27/2005 Series 2005AB \$246.1 Million Bond Issue		6/7/2006 Series 2006A \$6.9 Million	
	Principal	Interest	Principal	Estimated Interest	Principal	Interest
2012	\$ 260	\$ 704	\$ —	\$ 13,180	\$ —	\$—
2013	270	693	—	13,180	—	—
2014	775	670	20,660	12,663	—	—
2015	815	633	21,700	11,604	—	—
2016	915	588	6,720	10,886	—	—
2017	965	537	7,085	10,523	—	—
2018	1,220	473	7,455	10,132	—	—
2019	1,290	398	7,860	9,711	—	—
2020	1,370	318	8,300	9,267	—	—
2021	1,450	234	8,755	8,798	6,853	—
2022	1,540	144	31,975	7,734	—	—
2023	1,630	49	9,750	6,644	—	—
2024	—	—	10,290	6,093	—	—
2025	—	—	10,855	5,511	—	—
2026	—	—	11,455	4,898	—	—
2027	—	—	12,090	4,250	—	—
2028	—	—	12,760	3,567	—	—
2029	—	—	13,465	2,846	—	—
2030	—	—	14,200	2,085	—	—
2031	—	—	14,990	1,282	—	—
2032	—	—	15,815	435	—	—
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	<u>\$12,500</u>	<u>\$5,441</u>	<u>\$246,180</u>	<u>\$155,289</u>	<u>\$6,853</u>	<u>\$—</u>



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the Fiscal Year Ended June 30, 2011

(Thousands of dollars)

Fiscal Year	9/27/2006 Series 2006B \$355.8 Million		9/5/2007 Series 2007BC \$204.6 Million		12/13/2007 Series 2007D \$238.7 Million	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ —	\$ 15,694	\$ 330	\$ 10,140	\$ —	\$ 10,193
2013	—	15,694	345	10,127	—	10,193
2014	7,305	15,548	360	10,113	8,045	9,992
2015	7,595	15,212	375	10,098	8,445	9,580
2016	7,975	14,823	390	10,081	8,870	9,147
2017	8,375	14,414	410	10,061	9,310	8,693
2018	8,795	13,985	15,670	9,661	9,780	8,215
2019	9,230	13,534	16,450	8,861	10,265	7,714
2020	9,695	13,061	17,270	8,022	10,780	7,188
2021	10,180	12,564	25,610	6,953	11,320	6,636
2022	10,685	12,043	26,885	5,644	11,885	6,055
2023	11,220	11,495	28,230	4,269	12,480	5,446
2024	11,785	10,920	34,830	2,695	13,105	4,807
2025	12,370	10,316	36,560	913	13,760	4,135
2026	12,990	9,682	—	—	14,445	3,430
2027	13,640	9,016	—	—	15,170	2,690
2028	14,320	8,317	—	—	15,930	1,912
2029	15,040	7,602	—	—	16,725	1,096
2030	15,750	6,871	—	—	13,550	339
2031	16,500	6,105	—	—	—	—
2032	17,285	5,302	—	—	—	—
2033	18,105	4,439	—	—	—	—
2034	19,010	3,511	—	—	—	—
2035	19,960	2,537	—	—	—	—
2036	20,960	1,514	—	—	—	—
2037	22,005	495	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	<u>\$320,775</u>	<u>\$254,694</u>	<u>\$203,715</u>	<u>\$107,638</u>	<u>\$203,865</u>	<u>\$117,461</u>



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CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

Fiscal Year	5/13/2008 Series 2008A \$262.8 Million		5/13/2008 Series 2008B \$241.0 Million		5/1/2008 Series 2008C \$464.7 Million	
	Principal	Estimated Interest (2)	Principal	Estimated Interest (3)	Principal	Interest
2012	\$ —	\$ 15,192	\$ —	\$ 8,764	\$ —	\$ 23,641
2013	—	15,192	—	8,764	—	23,641
2014	—	15,192	6,275	8,749	—	23,641
2015	—	15,192	7,125	8,688	—	23,641
2016	—	15,192	7,500	8,621	—	23,641
2017	—	15,192	7,925	8,549	—	23,641
2018	—	15,192	7,800	8,475	7,420	23,455
2019	—	15,192	8,125	8,116	8,815	23,083
2020	—	15,192	8,475	7,743	9,615	22,655
2021	—	15,192	8,825	7,354	10,120	22,162
2022	—	15,192	9,225	6,949	10,660	21,642
2023	—	15,192	9,400	6,526	41,535	20,337
2024	—	15,192	9,750	6,094	43,720	18,151
2025	—	15,192	10,200	5,646	46,145	15,792
2026	38,390	15,011	10,650	5,178	48,595	13,305
2027	40,410	12,782	11,100	4,689	51,265	10,684
2028	42,530	10,436	11,550	4,179	80,365	7,329
2029	44,760	7,967	12,050	3,649	20,940	4,797
2030	47,110	5,368	12,550	3,095	22,040	3,722
2031	49,585	2,867	13,050	2,519	23,195	2,591
2032	—	—	13,600	1,920	24,395	1,401
2033	—	—	14,200	1,295	15,830	396
2034	—	—	14,800	643	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	\$262,785	\$267,119	\$214,175	\$136,205	\$464,655	\$353,348

Interest on variable rate securities assumes current interest rates remain the same as of June 30, 2011 calculated at:

- (2) Series 2008A computed: $(0.94103\% * \$262,785,000 \text{ outstanding principal}) + (5.25\% - 0.409885\%) * \$262,785,000 \text{ swapped outstanding principal}$
- (3) Series 2008B computed: $(0.94103\% * \$214,175,000 \text{ outstanding principal}) + (3.771\% - 0.1298858\%) * \$185,350,000 \text{ swapped outstanding principal}$



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

Fiscal Year	3/18/2009 Series 2009A \$130.0 Million		6/25/2009 Series 2009B \$75.4 Million		7/30/2009 Series 2009D \$75.7 Million	
	Principal	Interest (4)	Principal	Interest (5)	Principal	Interest
2012	\$ —	\$ 4,680	\$ —	\$ 2,835	\$ —	\$ 2,760
2013	7,395	4,680	—	2,835	—	2,760
2014	7,685	4,414	—	2,835	5,280	2,662
2015	7,990	4,137	—	2,835	5,465	2,483
2016	8,305	3,850	—	2,835	5,625	2,294
2017	8,635	3,551	—	2,835	5,900	2,069
2018	8,975	3,240	—	2,835	6,060	1,809
2019	9,330	2,917	—	2,835	6,335	1,509
2020	9,695	2,581	—	2,835	6,635	1,185
2021	10,080	2,232	—	2,835	6,960	845
2022	10,480	1,869	—	2,835	7,300	489
2023	10,890	1,492	—	2,835	7,650	153
2024	11,320	1,100	8,040	2,835	—	—
2025	11,765	692	8,400	2,533	—	—
2026	7,455	268	8,780	2,217	—	—
2027	—	—	9,175	1,887	—	—
2028	—	—	9,585	1,542	—	—
2029	—	—	10,020	1,181	—	—
2030	—	—	10,470	805	—	—
2031	—	—	10,940	411	—	—
2032	—	—	—	—	—	—
2033	—	—	—	—	—	—
2034	—	—	—	—	—	—
2035	—	—	—	—	—	—
2036	—	—	—	—	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	\$130,000	\$41,703	\$75,410	\$47,431	\$63,210	\$21,018

Interest on variable rate securities assumes current interest rates remain the same as of June 30, 2011 calculated at:

- 4 Series 2009A computed: $(0.0684\% * \$130,000,000 \text{ outstanding principal}) + (3.6617\% - 0.129885\%) * \$130,000,000 \text{ swapped outstanding principal}$
- 5 Series 2009B computed: $(0.064\% * \$75,410,000 \text{ outstanding principal}) + (3.825\% - 0.129885\%) * \$75,410,000 \text{ swapped outstanding principal}$



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

Fiscal Year	9/24/2009 Series 2009E \$518.2 Million		9/24/2009 Series 2009F \$29.1 Million		12/17/2009 Series 2009G \$254.2 Million	
	Principal	Interest (6)	Principal	Interest	Principal	Interest
2012	\$ —	\$ 31,070	\$ —	\$ 925	\$ —	\$ 4,449
2013	—	31,070	—	925	—	4,449
2014	—	31,070	5,640	855	—	4,449
2015	—	31,070	5,785	639	—	4,449
2016	—	31,070	6,070	404	—	4,449
2017	—	31,070	6,255	156	—	4,449
2018	6,675	30,914	—	—	—	4,449
2019	6,885	30,593	—	—	—	4,449
2020	7,105	30,255	—	—	—	4,449
2021	7,340	29,895	—	—	—	4,449
2022	7,590	29,512	—	—	—	4,449
2023	7,855	29,108	—	—	—	4,449
2024	8,130	28,682	—	—	—	4,449
2025	8,425	28,232	—	—	—	4,449
2026	22,810	27,312	—	—	254,240	2,225
2027	23,725	25,908	—	—	—	—
2028	24,675	24,446	—	—	—	—
2029	25,665	22,927	—	—	—	—
2030	26,690	21,346	—	—	—	—
2031	27,775	19,688	—	—	—	—
2032	28,905	17,948	—	—	—	—
2033	30,085	16,138	—	—	—	—
2034	31,310	14,254	—	—	—	—
2035	32,585	12,293	—	—	—	—
2036	33,915	10,252	—	—	—	—
2037	35,300	8,128	—	—	—	—
2038	36,735	5,917	—	—	—	—
2039	38,235	3,616	—	—	—	—
2040	39,795	1,221	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	\$518,210	\$655,005	\$23,750	\$3,904	\$254,240	\$64,511

(6) Interest does not reflect the 35% Federal Interest Subsidy CPS receives for the bonds.



Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)

For the Fiscal Year Ended June 30, 2011

(Thousands of dollars)

Fiscal Year	2/17/2010 Series 2010A \$48.9 Million		2/17/2010 Series 2010B \$157.1 Million		11/2/2010 Series 2010C \$257.1 Million	
	Principal	Interest (7)	Principal	Interest (8)	Principal	Interest (9)
2012	\$ —	\$ 1,839	\$ —	\$ 5,647	\$ —	\$ 16,248
2013	—	1,839	—	5,647	—	16,248
2014	—	1,839	—	5,647	—	16,248
2015	—	1,839	—	5,647	—	16,248
2016	—	1,839	—	5,647	—	16,248
2017	—	1,839	—	5,647	—	16,248
2018	—	1,839	—	5,647	—	16,248
2019	—	1,839	—	5,647	—	16,248
2020	—	1,839	—	5,647	—	16,248
2021	—	1,839	—	5,647	—	16,248
2022	—	1,839	—	5,647	—	16,248
2023	—	1,839	—	5,647	—	16,248
2024	—	1,839	—	5,647	—	16,248
2025	—	1,839	—	5,647	—	16,248
2026	—	1,839	4,775	5,647	—	16,248
2027	—	1,839	12,715	5,476	—	16,248
2028	—	1,839	13,215	5,018	—	16,248
2029	—	1,839	13,740	4,543	—	16,248
2030	—	1,839	14,280	4,049	257,125	8,124
2031	—	1,839	14,845	3,536	—	—
2032	11,435	1,839	15,430	3,002	—	—
2033	11,945	1,409	16,040	2,447	—	—
2034	12,485	960	16,670	1,870	—	—
2035	13,045	490	17,330	1,271	—	—
2036	—	—	18,015	648	—	—
2037	—	—	—	—	—	—
2038	—	—	—	—	—	—
2039	—	—	—	—	—	—
2040	—	—	—	—	—	—
2041	—	—	—	—	—	—
TOTAL	\$48,910	\$41,478	\$157,055	\$116,565	\$257,125	\$300,588

Interest on variable rate securities assumes current interest rates remain the same as of June 30, 2011 calculated at:

- (7) Series 2010A computed: $(0.064\% * \$48,910,000 \text{ outstanding principal}) + (3.825\% - 0.129885\%) * \$48,910,000 \text{ swapped outstanding principal}$
- (8) Series 2010B computed: $(0.064\% * \$157,055,000 \text{ outstanding principal}) + (3.6617\% - 0.129885\%) * \$157,055,000 \text{ swapped outstanding principal}$
- (9) Interest does not reflect the Federal Subsidy interest payment (5.1% of principal per annum) CPS receives for the bonds.



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

Fiscal Year	11/2/2010 Series 2010D \$125.0 Million		11/2/2010 Series 2010F \$183.7 Million		11/2/2010 Series 2010G \$72.9 Million	
	Principal	Interest (10)	Principal	Interest	Principal	Interest
2012	\$ —	\$ 8,149	\$ —	\$ 9,188	\$ —	\$ 2,474
2013	—	8,149	—	9,188	—	2,474
2014	—	8,149	—	9,188	8,340	2,358
2015	—	8,149	7,120	9,010	25,985	1,840
2016	—	8,149	7,475	8,645	15,855	1,168
2017	—	8,149	7,855	8,261	17,500	558
2018	—	8,149	9,770	7,821	5,235	109
2019	—	8,149	16,930	7,153	—	—
2020	—	8,149	15,105	6,352	—	—
2021	—	8,149	18,180	5,520	—	—
2022	—	8,149	4,505	4,953	—	—
2023	—	8,149	—	4,841	—	—
2024	—	8,149	—	4,841	—	—
2025	—	8,149	—	4,841	—	—
2026	—	8,149	—	4,841	—	—
2027	—	8,149	—	4,841	—	—
2028	—	8,149	2,305	4,783	—	—
2029	—	8,149	—	4,725	—	—
2030	—	8,149	2,600	4,660	—	—
2031	—	8,149	44,585	3,481	—	—
2032	—	8,149	47,320	1,183	—	—
2033	—	8,149	—	—	—	—
2034	—	8,149	—	—	—	—
2035	—	8,149	—	—	—	—
2036	—	8,149	—	—	—	—
2037	—	8,149	—	—	—	—
2038	18,490	7,546	—	—	—	—
2039	20,025	6,291	—	—	—	—
2040	21,665	4,932	—	—	—	—
2041	64,820	2,113	—	—	—	—
TOTAL	\$125,000	\$232,756	\$183,750	\$128,316	\$72,915	\$10,981

(10) Interest does not reflect the 35% Federal Interest Subsidy CPS receives for the bonds.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY — CPS Issues (continued)
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

Fiscal Year	Total		
	G.O. Debt Principal	G.O. Debt Interest	Total CPS Debts
2012	\$ 57,871	\$ 255,880	\$ 313,751
2013	40,973	260,574	301,547
2014	147,632	264,000	411,632
2015	157,542	261,080	418,622
2016	161,191	257,546	418,737
2017	157,518	253,555	411,073
2018	172,767	238,451	411,218
2019	178,874	232,020	410,894
2020	191,621	239,208	430,829
2021	216,950	246,987	463,937
2022	203,398	239,771	443,169
2023	212,098	232,289	444,387
2024	216,997	220,788	437,785
2025	225,483	212,105	437,588
2026	502,773	200,981	703,754
2027	258,915	187,648	446,563
2028	268,245	176,044	444,289
2029	227,667	218,096	445,763
2030	491,232	201,327	692,559
2031	270,124	183,523	453,647
2032	235,916	215,064	450,980
2033	106,205	34,273	140,478
2034	94,275	29,387	123,662
2035	82,920	24,740	107,660
2036	72,890	20,563	93,453
2037	57,305	16,772	74,077
2038	55,225	13,463	68,688
2039	58,260	9,907	68,167
2040	61,460	6,153	67,613
2041	64,820	2,113	66,933
	<u>\$5,249,147</u>	<u>\$4,954,308</u>	<u>\$10,203,455</u>



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DETAILED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY—PBC Issues
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

Fiscal Year	1/1/1992 1992 Series A			4/1/1993 1993 Series A			3/11/1999 1999 Series B	
	Principal	Interest	Admin Fee	Principal	Interest	Admin Fee	Principal	Interest
2012	\$ 18,500	\$12,504	\$ 1,350	\$11,660	\$306	\$1,214	\$ 435	\$ 5,957
2013	19,650	11,348	1,350	—	—	1,205	12,800	5,610
2014	20,850	10,120	1,350	—	—	1,203	13,540	4,918
2015	22,150	8,817	1,350	—	—	1,205	14,320	4,187
2016	22,025	7,433	1,300	—	—	1,200	16,665	3,374
2017	23,325	6,111	1,300	—	—	1,204	17,605	2,474
2018	24,725	4,712	1,300	—	—	1,204	18,605	1,524
2019	26,125	3,228	1,300	—	—	1,208	19,720	518
2020	27,675	1,661	1,300	—	—	—	—	—
2021	—	—	—	—	—	—	—	—
2022	—	—	—	—	—	—	—	—
2023	—	—	—	—	—	—	—	—
2024	—	—	—	—	—	—	—	—
2025	—	—	—	—	—	—	—	—
2026	—	—	—	—	—	—	—	—
2027	—	—	—	—	—	—	—	—
2028	—	—	—	—	—	—	—	—
2029	—	—	—	—	—	—	—	—
2030	—	—	—	—	—	—	—	—
2031	—	—	—	—	—	—	—	—
2032	—	—	—	—	—	—	—	—
TOTAL	<u>\$205,025</u>	<u>\$65,934</u>	<u>\$11,900</u>	<u>\$11,660</u>	<u>\$306</u>	<u>\$9,643</u>	<u>\$113,690</u>	<u>\$28,562</u>



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

BOND ISSUES OUTSTANDING RELATED TO THE CHICAGO PUBLIC SCHOOLS
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

	Date		Interest Rate	Outstanding at June 30, 2010	Issued or (Redeemed)	Outstanding at June 30, 2011
	Issued	Maturity				
Direct Debt (A):						
PBC G.O. Lease Certificate Bonds, 1992 Series A	1/1/1992	1/1/2020	6.00% to 6.50%	\$222,425	\$(17,400)	\$205,025
PBC Building Revenue Bonds, 1993 Series A	4/1/1993	12/1/2018	3.00% to 5.75%	22,685	(11,025)	11,660
PBC Building Revenue Refunding Bonds, 1999 Series B	3/11/1999	12/1/2018	5.00% to 5.25%	114,105	(415)	113,690
Unlimited Tax G.O. Bonds, Series 1996	4/17/1996	12/1/2026	4.80% to 6.25%	35,575	(35,575)	—
Unlimited Tax G.O. Bonds, Series 1997	5/7/1997	12/1/2027	5.08% to 6.75%	39,245	(39,245)	—
Unlimited Tax G.O. Bonds, Series 1997A	12/3/1997	12/1/2030	5.30% to 5.55%	37,985	—	37,985
Qualified Zone Academy G.O. Bonds, Series 1998	9/24/1998	9/23/2011	0.00%	14,000	—	14,000
Unlimited Tax G.O. Bonds, Series 1998 B-1	10/28/1998	12/1/2031	4.55% to 5.22%	310,889	(16,843)	294,046
Unlimited Tax G.O. Bonds, Series 1999A	2/25/1999	12/1/2031	4.30% to 5.30%	504,688	(23,020)	481,668
Qualified Zone Academy G.O. Bonds, IDFA Series 1999A	12/22/1999	12/21/2011	0.00%	12,000	—	12,000
Unlimited Tax G.O. Bonds, Series 2000A	7/20/2000	12/1/2031	5.10% to 6.00%	14,160	(14,160)	—
Unlimited Tax G.O. Bonds, Series 2000BCD	9/7/2000	3/1/2032	Variable	299,400	(14,200)	285,200
Qualified Zone Academy G.O. Bonds, Series 2000E	12/19/2000	12/18/2013	0.00%	13,390	—	13,390
Unlimited Tax G.O. Bonds, Series 2001A	3/1/2001	12/1/2031	4.00% to 5.75%	2,990	(2,990)	—
Qualified Zone Academy G.O. Bonds, Series 2001B	10/24/2001	10/23/2015	0.00%	9,440	—	9,440
Unlimited Tax G.O. Bonds, Series 2001C	12/11/2001	12/1/2031	5.00% to 5.50%	15,075	(15,075)	—
Unlimited Tax G.O. Bonds, Series 2002A	9/24/2002	12/1/2022	3.00% to 5.25%	44,365	(1,825)	42,540



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

BOND ISSUES OUTSTANDING RELATED TO THE CHICAGO PUBLIC SCHOOLS (continued)
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

	Date		Interest Rate	Outstanding at June 30, 2010	Issued or (Redeemed)	Outstanding at June 30, 2011
	Issued	Maturity				
Unlimited Tax G.O. Bonds, Series 2003A	2/13/2003	12/1/2016	2.50% to 5.25%	\$ 47,945	\$(41,150)	\$ 6,795
Qualified Zone Academy G.O. Bonds, Series 2003C	10/28/2003	10/27/2017	0.00%	4,585	—	4,585
Unlimited Tax G.O. Bonds, Series 2004A	4/6/2004	12/1/2020	4.00% to 5.00%	205,410	(2,990)	202,420
Unlimited Tax G.O. Bonds, Series 2004FGH	12/9/2004	3/1/2032	4.00% to 6.00%	12,500	—	12,500
Unlimited Tax G.O. Bonds, Series 2005AB	6/27/2005	3/1/2031	5.00% to 5.50%	246,180	—	246,180
Qualified Zone Academy G.O. Bonds, Series 2006A	6/7/2006	6/1/2021	0.00%	6,853	—	6,853
Unlimited Tax G.O. Bonds, Series 2006B	9/27/2006	12/1/2036	4.25% to 5.00%	340,975	(20,200)	320,775
Unlimited Tax G.O. Bonds, Series 2007BC	9/5/2007	12/1/2024	4.125% to 5.00%	204,035	(320)	203,715
Unlimited Tax G.O. Bonds, Series 2007D	12/13/2007	12/1/2029	4.00% to 5.00%	226,190	(22,325)	203,865
Unlimited Tax G.O. Bonds, Series 2008A	5/13/2008	12/1/2030	Variable	262,785	—	262,785
Unlimited Tax G.O. Bonds, Series 2008B	5/13/2008	3/1/2034	Variable	231,050	(16,875)	214,175
Unlimited Tax G.O. Bonds, Series 2008C	5/1/2008	12/1/2032	4.25% to 5.00%	464,655	—	464,655
Unlimited Tax G.O. Bonds, Series 2009A	3/18/2009	3/1/2026	Variable	130,000	—	130,000
Unlimited Tax G.O. Bonds, Series 2009BC	6/25/2009	3/1/2031	Variable	89,225	(13,815)	75,410
Unlimited Tax G.O. Bonds, Series 2009D	7/30/2009	12/1/2023	1.00% to 5.00%	71,380	(8,170)	63,210
Unlimited Tax G.O. Bonds, Series 2009E	9/24/2009	12/1/2039	4.68% to 6.14%	518,210	—	518,210



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

BOND ISSUES OUTSTANDING RELATED TO THE CHICAGO PUBLIC SCHOOLS (continued)
For the Fiscal Year Ended June 30, 2011
(Thousands of dollars)

	Date		Interest Rate	Outstanding at June 30, 2010	Issued or (Redeemed)	Outstanding at June 30, 2011
	Issued	Maturity				
Unlimited Tax G.O. Bonds, Series 2009F	9/24/2009	12/1/2016	2.50% to 5.00%	\$ 29,125	\$ (5,375)	\$ 23,750
Unlimited Tax G.O. Bonds, Series 2009G	12/17/2009	12/15/2025	1.75%	254,240	—	254,240
Unlimited Tax G.O. Bonds, Series 2010A	2/17/2010	3/1/2035	Variable	48,910	—	48,910
Unlimited Tax G.O. Bonds, Series 2010B	2/17/2010	3/1/2036	Variable	157,055	—	157,055
Unlimited Tax G.O. Bonds, Series 2010C	11/2/2010	11/1/2029	6.32%	—	257,125	257,125
Unlimited Tax G.O. Bonds, Series 2010D	11/2/2010	3/1/2036	6.52%	—	125,000	125,000
Unlimited Tax G.O. Bonds, Series 2010F	11/2/2010	12/1/2031	5.00%	—	183,750	183,750
Unlimited Tax G.O. Bonds, Series 2010G	11/2/2010	3/1/2017	2.77% to 4.18%	—	72,915	72,915
Total Direct Debt				<u>\$5,263,725</u>	<u>\$315,797</u>	<u>\$5,579,522</u>

NOTES:

- A. Excludes total accreted interest of \$525,134,791 on Series 1997A, Series 1998B-1, and Series 1999A bonds (\$40,500,096, \$267,035,086 and \$217,599,609) respectively.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL AUTHORIZED BOND ISSUANCES

As of June 30, 2011

(Thousands of dollars)

<u>Bond Authorization</u>	<u>Amount Authorized</u>	<u>Amount Issued</u>	<u>Lien Closed</u>	<u>Defeased</u>	<u>Principal (1) Outstanding June 30, 2011</u>	<u>Remaining Authorization</u>
1995 COP Board Authorization	\$ 45,000	\$ 45,000	\$ —	\$ —	\$ —	\$ —
1996 Alternate Bond Authorization	1,150,000	850,000 (A)	300,000	733,795	— (A)	—
1997 Alternate Bond Authorization	1,500,000	1,497,703 (B)	—	466,710	944,239 (B)	2,297
1998 Alternate Bond Authorization	900,000	870,195 (C)	—	325,770	208,075 (C)	29,805
2001 Alternate Bond Authorization	500,000	500,000 (D)	—	437,650	6,795 (D)	—
2002 Alternate Bond Authorization	500,000	500,000 (E)	—	434,080	42,540 (E)	—
2004 Alternate Bond Authorization	965,000	965,000 (F)	—	628,182	291,005 (F)	—
2006 Alternate Bond Authorization	750,000	634,258 (G)	—	210,188	397,558 (G)	115,742
2008 Alternate Bond Authorization	1,900,000	1,899,990 (H)	—	22,250	1,867,815 (H)	10
2009 Alternate Bond Authorization	2,300,000	844,755 (I)	—	—	844,755 (I)	1,455,245
TOTAL	<u>\$10,510,000</u>	<u>\$8,606,901</u>	<u>\$300,000</u>	<u>\$3,258,625</u>	<u>\$4,602,782</u>	<u>\$1,603,099</u>

1. Debt Reform Act Section 15 of the State of Illinois states that Alternate bonds may, upon meeting certain requirements of the Debt Reform Act, be issued to refund previously issued Alternate Bonds without utilizing additional authorization. CPS has issued four series of refunding bonds which met these requirements: \$202,420,000 Series 2004A, \$193,585,000 Series 2005A, \$52,595,000 Series 2005B, and \$197,765,000 Series 2007B which are not included in the authorization table. Total principal amount outstanding including these series is \$5,249,148

NOTES:

- A. The total issued and outstanding debt for the 1996 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Bonds, Series 1996	4/17/1996	\$350,000	\$—
Unlimited Tax G.O. Bonds, Series 1997	5/7/1997	500,000	—
Total issued and outstanding debt:		<u>\$850,000</u>	<u>\$—</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL AUTHORIZED BOND ISSUANCES (continued)

As of June 30, 2011

(Thousands of dollars)

B. The total issued and outstanding debt for the 1997 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Bonds, Series 1997A	12/3/1997	\$ 499,995	\$ 37,985
Unlimited Tax G.O. Bonds, Series 1998	9/24/1998	14,000	14,000
Unlimited Tax G.O. Bonds, Series 1998 B-1	10/28/1998	328,714	294,046
Unlimited Tax G.O. Bonds, Series 1999A	2/25/1999	532,554	481,668
Unlimited Tax G.O. Bonds, IDFA Series 1999A	12/22/1999	12,000	12,000
Unlimited Tax G.O. Bonds, Series 2000D	9/7/2000	101,000	95,100
Unlimited Tax G.O. Bonds, Series 2001B	10/24/2001	9,440	9,440
Total issued and outstanding debt:		<u>\$1,497,703</u>	<u>\$944,239</u>

C. The total issued and outstanding debt for the 1998 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Bonds, PBC Series C of 1999	9/30/1999	\$316,255	\$ —
Unlimited Tax G.O. Bonds, Series 2000A	7/20/2000	106,960	—
Unlimited Tax G.O. Bonds, Series 2000BC	9/7/2000	202,000	190,100
Unlimited Tax G.O. Bonds, Series 2000E	12/19/2000	13,390	13,390
Unlimited Tax G.O. Bonds, Series 2001A	3/1/2001	45,110	—
Unlimited Tax G.O. Bonds, Series 2003C	10/28/2003	4,585	4,585
Unlimited Tax G.O. Refunding Bonds, Series 2004B	4/6/2004	81,895	—
Unlimited Tax G.O. Refunding Bonds, Series 2007A	9/5/2007	100,000	—
Total issued and outstanding debt:		<u>\$870,195</u>	<u>\$208,075</u>

D. The total issued and outstanding debt for the 2001 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Bonds, Series 2001C	12/11/2001	\$217,260	\$ —
Unlimited Tax G.O. Bonds, Series 2003A	2/13/2003	75,890	6,795
Unlimited Tax G.O. Bonds, Series 2003B	2/13/2003	183,775	—
Unlimited Tax G.O. Refunding Bonds, Series 2004B	4/6/2004	23,075	—
Total issued and outstanding debt:		<u>\$500,000</u>	<u>\$6,795</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL AUTHORIZED BOND ISSUANCES (continued)
As of June 30, 2011
(Thousands of dollars)

- E. The total issued and outstanding debt for the 2002 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Bonds, Series 2002A	9/24/2002	\$ 48,970	\$42,540
Unlimited Tax G.O. Bonds, Series 2003D	12/12/2003	257,925	—
Unlimited Tax G.O. Refunding Bonds, Series 2004B	4/6/2004	193,105	—
Total issued and outstanding debt:		<u>\$500,000</u>	<u>\$42,540</u>

- F. The total issued and outstanding debt for the 2004 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Bonds, Series 2004CDE	11/10/2004	\$222,080	\$ —
Unlimited Tax G.O. Bonds, Series 2004FGH	12/9/2004	56,000	12,500
Unlimited Tax G.O. Bonds, Series 2005C	11/15/2005	53,750	—
Unlimited Tax G.O. Bonds, Series 2005DE	12/8/2005	325,000	—
Unlimited Tax G.O. Bonds, Series 2006A	6/7/2006	6,853	6,853
Unlimited Tax G.O. Bonds, Series 2006B	9/27/2006	301,317	271,652
Total issued and outstanding debt:		<u>\$965,000</u>	<u>\$291,005</u>

- G. The total issued and outstanding debt for the 2006 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Bonds, Series 2006B	9/27/2006	\$ 54,488	\$ 49,123
Unlimited Tax G.O. Refunding Bonds, Series 2007A	9/5/2007	162,785	—
Unlimited Tax G.O. Refunding Bonds, Series 2007C	9/5/2007	6,870	5,950
Unlimited Tax G.O. Bonds, Series 2007D	12/13/2007	238,720	203,865
Unlimited Tax G.O. Refunding Bonds, Series 2009B	6/25/2009	75,410	75,410
Unlimited Tax G.O. Refunding Bonds, Series 2009C	6/25/2009	20,265	—
Unlimited Tax G.O. Refunding Bonds, Series 2009D	7/30/2009	75,720	63,210
Total issued and outstanding debt:		<u>\$634,258</u>	<u>\$397,558</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL AUTHORIZED BOND ISSUANCES (continued)
As of June 30, 2011
(Thousands of dollars)

H. The total issued and outstanding debt for the 2008 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Refunding Bonds, Series 2008A	5/13/2008	\$ 262,785	\$ 262,785
Unlimited Tax G.O. Refunding Bonds, Series 2008B	5/13/2008	240,975	214,175
Unlimited Tax G.O. Refunding Bonds, Series 2008C	5/1/2008	464,655	464,655
Unlimited Tax G.O. Refunding Bonds, Series 2009A	3/18/2009	130,000	130,000
Unlimited Taxable G.O. Bonds, Series 2009E ..	9/24/2009	518,210	518,210
Unlimited Tax G.O. Bonds, Series 2009F	9/24/2009	29,125	23,750
Unlimited Tax G.O. Bonds, Series 2009G	12/17/2009	254,240	254,240
Total issued and outstanding debt:		<u>\$1,899,990</u>	<u>\$1,867,815</u>

I. The total issued and outstanding debt for the 2009 Authorization are the issuances as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Refunding Bonds, Series 2010A	2/17/2010	\$ 48,910	\$ 48,910
Unlimited Tax G.O. Refunding Bonds, Series 2010B	2/17/2010	157,055	157,055
Unlimited Tax G.O. Bonds, Series 2010C	11/2/2010	257,125	257,125
Unlimited Tax G.O. Bonds, Series 2010D	11/2/2010	125,000	125,000
Unlimited Tax G.O. Refunding Bonds, Series 2010F	11/2/2010	183,750	183,750
Unlimited Tax G.O. Refunding Bonds, Series 2010G	11/2/2010	72,915	72,915
Total issued and outstanding debt:		<u>\$844,755</u>	<u>\$844,755</u>





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Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

OUTSTANDING DEBT PER CAPITA
Last Ten Fiscal Years
(Thousands of dollars, except per capita)

As of June 30, 2011

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Leases Securing PBC Bonds</u>	<u>Asbestos Abatement Loan</u>	<u>Capital Leases</u>	<u>Note Payable</u>	<u>Total Primary Government</u>
2002	\$2,691,983	\$785,844	\$11,833	\$3,130	\$ —	\$3,492,790
2003	2,989,853	698,899	10,413	7,124	—	3,706,289
2004	3,275,193	607,094	8,994	—	—	3,891,281
2005	3,510,968	476,044	7,574	—	5,500	4,000,086
2006	3,866,956	458,030	6,154	2,975	4,598	4,338,713
2007	4,091,856	435,535	4,885	2,800	3,606	4,538,682
2008	4,276,507	411,690	3,747	2,625	2,516	4,697,085
2009	4,221,497	386,385	2,710	2,450	1,317	4,614,359
2010	4,904,510	359,215	—	2,275	—	5,266,000
2011	5,249,147	330,375	—	2,100	—	5,581,622



<u>Percentage of Personal Income</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Population</u>	<u>Total Outstanding Debt Per Capita</u>	<u>Total General Obligation Debt Per Capita</u>
3.42%	17.19%	2,896,016	\$1,206.07	\$ 929.55
3.62%	14.42%	2,896,016	1,279.79	1,032.40
3.63%	15.12%	2,896,016	1,343.67	1,130.93
3.50%	15.25%	2,896,016	1,381.24	1,212.34
3.57%	13.00%	2,896,016	1,498.17	1,335.27
3.46%	13.50%	2,896,016	1,567.22	1,412.93
3.49%	13.82%	2,896,016	1,621.91	1,476.69
3.45%	14.68%	2,896,016	1,593.35	1,457.69
n/a	17.23%	2,695,598	1,953.56	1,819.45
n/a	n/a	2,695,598	2,070.64	1,947.30



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

As of June 30, 2011

(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Debt limit	\$5,794,463	\$6,256,611	\$7,338,200	\$7,629,142
General obligation	1,069,366	979,083	917,855	764,761
Less: amount set aside for repayment of bonds	<u>(37,965)</u>	<u>(37,486)</u>	<u>(36,226)</u>	<u>(38,913)</u>
Total net debt applicable to limit (A)	<u>\$1,031,401</u>	<u>\$ 941,597</u>	<u>\$ 881,629</u>	<u>\$ 725,848</u>
Legal debt margin	<u>\$4,763,062</u>	<u>\$5,315,014</u>	<u>\$6,456,571</u>	<u>\$6,903,294</u>
Total net debt applicable to the limit as a percentage of debt limit	17.80%	15.05%	12.01%	9.51%

(A) Pursuant to Section 15 of the Debt Reform Act, this table does not reflect the following bonds because these bond series do not count against the debt limit until the tax levy supporting them is extended for collection:

\$500.0 million Series 1997A	\$204.6 million Series 2007BC
\$14.0 million Series 1998	\$238.7 million Series 2007D
\$328.7 million Series 1998B-1	\$262.8 million Series 2008A
\$532.5 million Series 1999A	\$241.0 million Series 2008B
\$12.0 million IDFA Series 1999A	\$464.7 million Series 2008C
\$303.0 million Series 2000BCD	\$130.0 million Series 2009A
\$13.4 million Series 2000E	\$75.4 million Series 2009B
\$9.4 million Series 2001B	\$75.7 million Series 2009D
\$49.0 million Series 2002A	\$547.3 million Series 2009EF
\$75.9 million Series 2003A	\$254.2 million Series 2009G
\$4.6 million Series 2003C	\$206.0 million Series 2010AB
\$205.4 million Series 2004A	\$257.1 million Series 2010C
\$56.0 million Series 2004FGH	\$125.0 million Series 2010D
\$246.1 million Series 2005AB	\$183.7 million Series 2010F
\$6.9 million Series 2006A	\$72.9 million Series 2010G
\$355.8 million Series 2006B	



Debt Capacity

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$8,184,894	\$9,593,382	\$10,163,860	\$11,175,687	\$11,673,736	\$11,328,763
711,982	658,947	606,009	553,134	498,593	446,719
<u>(39,984)</u>	<u>(37,322)</u>	<u>(36,238)</u>	<u>(34,719)</u>	<u>(16,042)</u>	<u>(36,440)</u>
<u>\$ 671,998</u>	<u>\$ 621,625</u>	<u>\$ 569,771</u>	<u>\$ 518,415</u>	<u>\$ 482,551</u>	<u>\$ 410,279</u>
<u>\$7,512,896</u>	<u>\$8,971,757</u>	<u>\$ 9,594,089</u>	<u>\$10,657,272</u>	<u>\$11,191,185</u>	<u>\$10,918,484</u>
8.21%	6.48%	5.61%	4.64%	4.13%	3.62%



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2011
(Thousands of dollars)

<u>Governmental Unit</u>	<u>Debt Outstanding (A)</u>	<u>Estimated Percentage Applicable (B)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
City of Chicago	\$7,319,692	100.00%	\$ 7,319,692
Chicago Park District	899,420	100.00%	899,420
Water Reclamation District	1,945,660	49.18%	956,876
County	3,499,615	48.17%	1,685,765
Forest Preserve District	101,935	48.17%	49,102
Subtotal, overlapping debt			\$10,910,855
Chicago Public Schools Direct Debt			5,249,147
Total Direct and Overlapping Debt			<u>\$16,160,002</u>

Notes:

- (A) Debt outstanding data provided by each governmental unit.
- (B) Assessed value data used to estimate applicable percentage provided by the Office of the Cook County Clerk. Percentages are calculated by dividing each taxing district's City of Chicago tax extension within the City of Chicago by the total 2010 Cook County extension for the district.



CHICAGO PUBLIC SCHOOLS**Chicago Board of Education****CPS' DEBT RATING HISTORY**

CPS has issued \$9.2 billion of general obligation bonds to date, of which \$5.2 billion was outstanding as of June 30, 2011, for the purpose of financing its Capital Improvement Program or refunding outstanding debt. In addition, CPS also has issued general obligation lease obligations with the Public Building Commission (the PBC) securing \$330 million (principal amount) currently outstanding. CPS' current lease obligations to the PBC mature in 2020.

Secure Structure: All of the CPS general obligation debt has been issued as alternate revenue bonds. Alternate revenue bonds are secured by at least one other revenue stream in addition to the Board's unlimited tax general obligation pledge. CPS has pledged revenues from Personal Property Replacement Taxes (PPRT), revenues from an Intergovernmental Agreement (IGA) with the City of Chicago, revenues from City Notes and Intergovernmental Agreements with the City of Chicago, and both State Aid and State Grant revenues as alternate revenue sources. The following table indicates which revenues support each of CPS' outstanding general obligation debt issues:

<u>Series</u>	<u>Date Issued</u>	<u>Security Revenue Source</u>	
1997A	12/3/1997	PPRT/IGA	Unlimited Tax Levy
1998	9/24/1998	IGA	Unlimited Tax Levy
1998B-1	10/28/1998	IGA	Unlimited Tax Levy
1999A	2/25/1999	PPRT/IGA	Unlimited Tax Levy
PBC Series C of 1999	9/30/1999	State Grant/Aid	Unlimited Tax Levy
IDFA Series 1999A	12/22/1999	State Aid	Unlimited Tax Levy
2000BCD	9/7/2000	State Aid	Unlimited Tax Levy
2000E	12/19/2000	State Aid	Unlimited Tax Levy
2002A	9/24/2002	City Note/IGA	Unlimited Tax Levy
2003A	2/13/2003	State Aid	Unlimited Tax Levy
2003C	10/28/2003	State Aid	Unlimited Tax Levy
2004A	4/6/2004	PPRT/State Aid	Unlimited Tax Levy
2004G	12/9/2004	City Note/IGA	Unlimited Tax Levy
2005AB	6/27/2005	PPRT/State Aid	Unlimited Tax Levy
2006A	6/7/2006	State Aid	Unlimited Tax Levy
2006B	9/27/2006	State Aid	Unlimited Tax Levy
2007BC	9/5/2007	State Aid	Unlimited Tax Levy
2007D	12/13/2007	State Aid	Unlimited Tax Levy
2008A	5/13/2008	PPRT/IGA	Unlimited Tax Levy
2008B	5/13/2008	State Aid	Unlimited Tax Levy
2008C	5/1/2008	State Aid	Unlimited Tax Levy
2009A	3/18/2009	State Aid	Unlimited Tax Levy
2009BC	6/25/2009	State Aid	Unlimited Tax Levy
2009D	7/30/2009	State Aid	Unlimited Tax Levy
2009EF	9/24/2009	State Aid	Unlimited Tax Levy
2009G	12/17/2009	State Aid	Unlimited Tax Levy
2010AB	2/17/2010	State Aid	Unlimited Tax Levy
2010C	11/2/2010	State Aid	Unlimited Tax Levy
2010D	11/2/2010	State Aid	Unlimited Tax Levy
2010F	11/2/2010	State Aid	Unlimited Tax Levy
2010G	11/2/2010	State Aid	Unlimited Tax Levy



Statistical Section

CPS Debt Rating History: The following table presents the debt ratings for CPS since 2005. Investors who purchase municipal bonds use debt ratings as an indicator of the financial stability of an organization and consequently the safety and security of the debt sold by that organization. In general, higher credit ratings often result in lower borrowing costs via reduced interest rates paid on municipal bonds. Strong ratings also encourage a wider market and more buyers of municipal bonds. There are three major rating agencies that assign ratings to municipal debt, including the debt issued by Chicago Public Schools.

In the spring of 2010, two of the three major rating agencies changed their municipal ratings scale, recalibrating it to align more closely with the corporate rating scale. Many organizations, including CPS, experienced a strengthening in their ratings as a result. In the spring of 2010, CPS' rating was raised to Aa2 and AA- by Moody's Investor's Service and Fitch Ratings, respectively, while its rating from Standard and Poor's remained the same as 2009 at AA-. Subsequently, when CPS sold bonds in the fall of 2010, Fitch Ratings downgraded CPS' rating to the current A+ level, from AA-. Standard and Poor's maintained its rating of AA-, and Moody's downgraded CPS' rating to Aa3, when CPS sold bonds in the fall of 2011.

CPS' Rating History 2005 - 2011

<u>Name of Agency</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>June 2011</u>	<u>Oct 2011</u>
Standard & Poor's Rating Services	A+	A+	AA-	AA-	AA-	AA-	AA-	AA-
Moody's Investor Services	A2	A2	A1	A1	A1	Aa2	Aa2	Aa3
Fitch Investor Services, L.P.	A+	A+	A+	A+	A+	AA-	A+	A+





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CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

<u>Year</u>	<u>City of Chicago Population (A)</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Income (B)</u>	<u>Median Age (C)</u>	<u>Number of Households (C)</u>
2001	2,896,016	\$100,735,021	\$34,784	34.80	1,074,200
2002	2,896,016	102,009,268	35,224	31.90	1,059,960
2003	2,896,016	102,298,869	35,324	32.60	1,067,823
2004	2,896,016	107,239,472	37,030	32.60	1,051,018
2005	2,896,016	114,169,639	39,423	33.14	1,045,282
2006	2,896,016	121,612,400	41,993	33.48	1,042,014
2007	2,896,016	130,986,804	45,230	33.75	1,033,328
2008	2,896,016	134,592,344	46,475	34.13	1,032,746
2009	2,896,016	133,682,995	46,161	34.50	1,037,069
2010	2,695,598	N/A	N/A	34.80	1,045,666

Notes:

- A. Source: U.S. Census Bureau. The census is conducted decennially at the start of each decade.
- B. Source: Bureau of Economic Analysis. These rates are for Cook County.
- C. Source: World Business Chicago Website
- D. Source: Illinois Workforce Info Center Website



Demographic and Economic Informations

Civilian Labor Force (D)		Employment (D)		
Number	Percent of Population	Number	Percent of Population	Unemployment Rate
1,377,439	47.56%	1,284,252	44.35%	6.80%
1,347,074	46.51%	1,235,053	42.65%	8.30%
1,322,712	45.67%	1,214,943	41.95%	8.10%
1,309,514	45.22%	1,211,707	41.84%	7.50%
1,290,020	44.54%	1,198,659	41.39%	7.10%
1,296,045	44.75%	1,227,320	42.38%	5.30%
1,321,924	45.65%	1,245,876	43.02%	5.80%
1,328,413	45.87%	1,235,459	42.66%	7.00%
1,318,491	45.53%	1,174,785	40.57%	10.90%
1,320,502	48.99%	1,175,029	43.59%	11.00%



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CITY OF CHICAGO PRINCIPAL EMPLOYERS (NON-GOVERNMENT)
Last Five Years

Employer	2010			2009		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
J.P. Morgan Chase (1)	8,094	1	0.81%	8,431	1	0.81%
United Airlines	5,585	2	0.58%	6,019	2	0.58%
Northern Trust	5,833	3	0.56%	5,394	4	0.52%
Jewel Food Stores, Inc	5,307	4	0.52%	5,833	3	0.56%
Bank of America NT	4,668	5	0.44%	4,631	5	0.44%
Walgreen's Co.	4,552	6	0.33%	—	—	—
Accenture LLP	4,224	7	0.32%	3,341	7	0.32%
CVS Corporation	4,067	8	0.30%	3,120	9	0.30%
ABM Janitorial Midwest, INC.	3,840	9	0.30%	—	—	—
American Airlines	3,153	10	0.27%	3,394	6	0.33%
SBC/AT&T (2)	—	—	—	3,136	8	0.30%
Ford Motor Company	—	—	—	2,764	10	0.27%
Bonded Maintenance Company	—	—	—	—	—	—
Deloitte & Touche	—	—	—	—	—	—

Source: City of Chicago, Department of Revenue, Employers Expense Tax Return

NOTES:

Beginning with 2006, the Chicago Board of Education will accumulate 10 years of data.

(1) J.P. Morgan Chase formerly known as Bank One.

(2) SBC/AT&T formerly known as Ameritech.



Demographic and Economic Informations

2008			2007			2006		
Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
8,865	1	0.81%	9,114	1	0.73%	8,979	1	0.82%
6,403	2	0.58%	6,102	2	0.49%	5,944	2	0.55%
5,084	4	0.46%	4,787	4	0.38%	4,610	4	0.42%
5,977	3	0.55%	5,424	3	0.43%	5,453	3	0.50%
—	—	—	—	—	—	3,108	10	0.29%
—	—	—	—	—	—	—	—	—
4,532	5	0.41%	4,283	5	0.34%	4,470	5	0.41%
3,161	9	0.29%	3,120	9	0.25%	—	—	—
—	—	—	—	—	—	—	—	—
3,582	6	0.33%	3,645	7	0.29%	3,750	7	0.34%
3,459	7	0.32%	4,002	6	0.32%	3,834	6	0.35%
3,325	8	0.30%	3,367	8	0.27%	3,480	8	0.32%
2,955	10	0.27%	—	—	—	3,298	9	0.30%
—	—	—	2,988	10	0.24%	—	—	—



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

METROPOLITAN CHICAGO TOP PUBLIC COMPANIES RANKED BY 2010 NET REVENUES

(Millions of dollars)

<u>Company Name</u>	<u>2010 Net Revenues</u>	<u>Number of Employees (1)</u>
Walgreen Co. (2)	\$67,420.0	244,000
Boeing Co.	64,306.0	160,500
Archer Daniels Midland Co. (3)	61,682.0	29,300
Kraft Foods Inc.	49,207.0	127,000
Sears Holding Corp. (4)	43,326.0	312,000
Caterpillar Inc.	42,588.0	104,490
Abbott Laboratories	35,166.7	90,000
Allstate Corp.	31,400.0	35,700
Deere & Co. (5)	25,549.6	55,650
McDonald's Corp.	24,074.6	400,000
United Continental Holdings Inc.	23,229.0	86,000
Motorola Solutions Inc.	19,282.0	51,000
Exelon Corp.	18,644.0	19,214
Illinois Tool Works, Inc.	15,870.4	61,000
Baxter International Inc.	12,843.0	48,000
Navistar International Corp. (5)	12,145.0	15,800
Motorola Mobility Holdings Inc.	11,460.0	19,000
Sara Lee Corp. (3)	10,793.0	33,400
R.R. Donnelley & Sons Co.	10,018.9	58,700
CNA Financial Corp.	9,209.0	8,000

Source: **Crain's Chicago Business**, "Chicago's Largest Public Companies", from May 16, 2011 issue. Copyright 2011 Crain Communications Inc.

1. Most recent employee count available
2. Fiscal year ends in August
3. Fiscal year ends in June
4. Fiscal year ends in January
5. Fiscal year ends in October



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
SCHEDULE OF REVENUES AND EXPENDITURES
CURRENT APPROPRIATIONS AND ACTUAL

For the Fiscal Year Ended June 30, 2011

With Comparative Amounts for the Fiscal Year Ended June 30, 2010

(Thousands of dollars)

	Approved Budget	Transfers In (Out)	Final Appropriations	Fiscal Year 2011 Actual	Variance	Fiscal Year 2010 Actual	2011 Over (Under) 2010
Revenues:							
Property taxes	\$1,920,100	\$ —	\$1,920,100	\$1,904,169	\$ (15,931)	\$2,035,938	\$(131,769)
Replacement taxes	98,730	—	98,730	172,384	73,654	96,816	75,568
State aid	1,628,428	—	1,628,428	1,694,566	66,138	1,367,797	326,769
Federal aid	1,288,988	—	1,288,988	1,121,457	(167,531)	1,160,412	(38,955)
Interest and investment income	2,600	—	2,600	1,920	(680)	3,084	(1,164)
Other	99,239	—	99,239	221,391	122,152	111,985	109,406
Total revenues	\$5,038,085	\$ —	\$5,038,085	\$5,115,887	\$ 77,802	\$4,776,032	\$ 339,855
Expenditures:							
Teachers' salaries	\$2,064,712	\$ 80,652	\$2,145,364	\$2,023,510	\$ 121,854	\$2,026,257	\$ (2,747)
Career service salaries	619,382	(4,058)	615,324	610,741	4,583	604,042	6,699
Energy	83,448	(1,609)	81,839	83,356	(1,517)	78,682	4,674
Food	107,294	1,131	108,425	93,766	14,659	93,088	678
Textbooks	80,499	22,375	102,874	70,249	32,625	70,596	(347)
Supplies	58,967	14,622	73,589	51,125	22,464	48,046	3,079
Other commodities	674	21	695	478	217	948	(470)
Professional fees	354,263	138,326	492,589	450,127	42,462	381,851	68,276
Charter schools	321,662	54,917	376,579	377,755	(1,176)	326,322	51,433
Transportation	112,732	2,717	115,449	107,530	7,919	109,349	(1,819)
Tuition	54,618	11,032	65,650	59,102	6,548	62,568	(3,466)
Telephone and telecommunications	19,575	48	19,623	19,823	(200)	18,199	1,624
Other services	10,979	4,807	15,786	11,789	3,997	15,688	(3,899)
Equipment—educational	30,225	29,212	59,437	41,896	17,541	33,661	8,235
Repairs and replacements	38,044	2,707	40,751	37,355	3,396	31,854	5,501
Capital outlay	—	5	5	5	—	10	(5)
Teachers' pension	337,218	1,537	338,755	306,111	32,644	475,628	(169,517)
Career service pension	97,963	(1,243)	96,720	102,158	(5,438)	96,913	5,245
Hospitalization and dental insurance	347,670	(14,396)	333,274	353,878	(20,604)	311,048	42,830
Medicare	37,080	(2,139)	34,941	35,004	(63)	34,826	178
Unemployment compensation	23,868	(3,735)	20,133	21,992	(1,859)	16,000	5,992
Workers' compensation	28,588	(361)	28,227	25,859	2,368	28,244	(2,385)
Rent	11,884	413	12,297	11,941	356	12,093	(152)
Debt service	—	—	—	—	—	2,710	(2,710)
Other fixed charges	441,340	(336,981)	104,359	14,402	89,957	17,519	(3,117)
Total expenditures	\$5,282,685	\$ —	\$5,282,685	\$4,909,952	\$ 372,733	\$4,896,142	\$ 13,810



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
SCHEDULE OF REVENUE — BY PROGRAM
For the Fiscal Year Ended June 30, 2011
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	Educational Program	Individuals with Disabilities Education Act (IDEA) Program	Other Government Funded Program	Supplementary General State Aid
Revenues:				
Property taxes	\$1,818,194	\$ —	\$ —	\$ —
Replacement taxes	168,472	—	—	—
State aid	1,023,681	1,490	16,154	262,709
Federal aid	77,218	88,058	174,997	—
Interest and investment income	1,785	—	—	—
Other	186,345	8	150	6,615
Total revenues	<u>\$3,275,695</u>	<u>\$89,556</u>	<u>\$191,301</u>	<u>\$269,324</u>

NOTE:

(1) ARRA does not include \$133mm General State Aid — Education SFSF, \$112m ARRA — Early Childhood , and \$33.6mm General State Aid — Government SFSF.



<u>Elementary and Secondary Education Act (ESEA) Program</u>	<u>School Lunch Program</u>	<u>Workers' and Unemployment Compensation/ Tort Immunity Program</u>	<u>Public Building Commission Operations and Maintenance Program</u>	<u>ARRA (1) American Recovery and Reinvestment Act Program</u>	<u>Total</u>
\$ —	\$ —	\$85,975	\$ —	\$ —	\$1,904,169
—	3,912	—	—	—	172,384
2,420	13,334	—	374,778	—	1,694,566
271,859	175,753	—	24,232	309,340	1,121,457
—	—	135	—	—	1,920
11	13,891	4,271	10,100	—	221,391
<u>\$274,290</u>	<u>\$206,890</u>	<u>\$90,381</u>	<u>\$409,110</u>	<u>\$309,340</u>	<u>\$5,115,887</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
SCHEDULE OF EXPENDITURES — BY PROGRAM
For the Fiscal Year Ended June 30, 2011
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	Educational Program	Individuals with Disabilities Education Act (IDEA) Program	Other Government Funded Program	Supplementary General State Aid
Teachers' salaries	\$1,557,784	\$55,962	\$ 63,408	\$ 79,843
Career service salaries	242,073	9,504	21,163	65,593
Energy	225	—	—	—
Food	678	31	608	12
Textbooks	23,928	44	6,634	7,144
Supplies	15,975	181	3,451	9,660
Other commodities	261	1	11	123
Professional fees	164,960	1,103	21,161	10,307
Charter Schools	322,694	8,720	2,538	27,953
Transportation	94,540	454	2,627	2,451
Tuition	55,567	1,236	1,617	2
Telephone and telecommunications	293	—	—	3
Other services	4,975	154	2,100	1,393
Equipment — educational	14,394	718	5,799	10,781
Repairs and replacements	2,966	14	122	2,025
Capital outlay	5	—	—	—
Teachers' pension	246,153	8,083	7,903	11,133
Career service pension	40,226	1,719	3,424	10,633
Hospitalization and dental insurance	225,619	8,599	9,491	23,079
Medicare	23,593	866	1,156	2,136
Unemployment compensation	15,446	580	609	1,152
Workers' compensation	18,138	678	717	1,356
Rent	1,446	39	129	—
Debt service	—	—	—	—
Other fixed charges	4,015	(41)	(46)	36
Total expenditures	<u>\$3,075,954</u>	<u>\$98,645</u>	<u>\$154,622</u>	<u>\$266,815</u>



Elementary and Secondary Education Act (ESEA) Program	School Lunch Program	Workers' and Unemployment Compensation/Tort Immunity Program	Public Building Commission Operations and Maintenance Program	ARRA American Recovery and Reinvestment Act Program	Total
\$112,948	\$ —	\$ —	\$ 1	\$153,564	\$2,023,510
26,234	68,328	41,089	93,085	43,672	610,741
—	—	—	83,131	—	83,356
248	92,093	—	—	96	93,766
15,867	—	41	4,295	12,296	70,249
11,475	1,116	269	8,998	—	51,125
67	—	—	—	15	478
66,931	2,717	4,399	124,922	53,627	450,127
14,437	—	—	—	1,413	377,755
7,025	25	49	110	249	107,530
579	—	—	—	101	59,102
—	—	—	19,527	—	19,823
1,429	476	3	3	1,256	11,789
5,688	—	55	461	4,000	41,896
583	—	29	31,613	3	37,355
—	—	—	—	—	5
12,209	—	2	—	20,628	306,111
4,054	11,997	6,649	16,102	7,354	102,158
14,440	23,347	10,072	13,885	25,346	353,878
1,917	907	762	1,039	2,628	35,004
912	582	332	776	1,603	21,992
1,070	691	395	944	1,870	25,859
48	—	—	10,218	61	11,941
—	—	—	—	—	—
(1,230)	4,611	7,850	—	(793)	14,402
<u>\$296,931</u>	<u>\$206,890</u>	<u>\$71,996</u>	<u>\$409,110</u>	<u>\$328,989</u>	<u>\$4,909,952</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education
ANALYSIS OF COMPOUNDED GROWTH OF REVENUES — ALL FUNDS

Last Ten Fiscal Years and 2012 Budget
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Local revenue:						
Property taxes	\$1,479,968	\$1,546,335	\$1,571,065	\$1,639,237	\$1,718,249	\$1,767,760
Replacement taxes	114,313	105,960	120,427	145,724	184,700	201,509
Investment income	68,050	49,161	39,501	43,215	71,947	116,907
Other	89,505	94,345	149,253	102,654	163,765	286,230
Total local	<u>\$1,751,836</u>	<u>\$1,795,801</u>	<u>\$1,880,246</u>	<u>\$1,930,830</u>	<u>\$2,138,661</u>	<u>\$2,372,406</u>
State revenue:						
General state aid	\$ 806,640	\$ 786,950	\$ 853,533	\$ 908,330	\$ 978,672	\$1,040,241
Teacher pension	65,045	65,045	—	65,045	74,922	75,242
Capital	99,004	141,127	127,682	3,061	—	—
Other	497,225	476,445	500,233	530,679	549,041	586,102
Total state	<u>\$1,467,914</u>	<u>\$1,469,567</u>	<u>\$1,481,448</u>	<u>\$1,507,115</u>	<u>\$1,602,635</u>	<u>\$1,701,585</u>
Federal revenue:						
Elementary and Secondary Education Act (ESEA)	\$ 177,841	\$ 209,971	\$ 244,118	\$ 277,610	\$ 273,900	\$ 269,446
Individuals with Disabilities Education Act (IDEA)	62,850	71,477	86,289	105,835	99,908	81,721
School lunchroom	142,057	146,247	151,207	145,668	147,899	147,407
Medicaid	38,200	31,765	35,772	26,000	33,422	24,257
Other	133,802	149,233	213,118	207,842	220,502	223,198
Total federal	<u>\$ 554,750</u>	<u>\$ 608,693</u>	<u>\$ 730,504</u>	<u>\$ 762,955</u>	<u>\$ 775,631</u>	<u>\$ 746,029</u>
Total revenue	<u>\$3,774,500</u>	<u>\$3,874,061</u>	<u>\$4,092,198</u>	<u>\$4,200,900</u>	<u>\$4,516,927</u>	<u>\$4,820,020</u>
Change in revenue from previous year	\$ (44,917)	\$ 99,561	\$ 218,137	\$ 108,702	\$ 316,027	\$ 303,093
Percent change in revenue	- 1.2%	2.6%	5.6%	2.7%	7.5%	6.7%



<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Budget 2012</u>	<u>Ten year Compounded Growth Rate</u>	<u>Five Year Compounded Growth Rate</u>
\$1,813,917	\$1,896,540	\$2,047,163	\$1,936,655	\$2,089,926	3.5%	4.0%
215,489	188,503	152,497	197,762	158,701	3.3%	- 3.0%
85,895	43,693	12,483	13,399	4,100	- 24.5%	- 43.6%
181,028	253,376	359,661	417,516	275,554	11.9%	11.0%
<u>\$2,296,329</u>	<u>\$2,382,112</u>	<u>\$2,571,804</u>	<u>\$2,565,332</u>	<u>\$2,528,281</u>	3.7%	3.4%
\$1,107,408	\$ 879,658	\$1,001,777	\$1,163,412	\$1,134,157	3.5%	3.0%
75,218	74,845	37,551	42,971	10,449	- 16.7%	- 32.6%
—	—	—	2,793	115,000	1.5%	0.0%
663,408	557,383	512,748	740,605	691,541	3.4%	4.7%
<u>\$1,846,034</u>	<u>\$1,511,886</u>	<u>\$1,552,076</u>	<u>\$1,949,781</u>	<u>\$1,951,147</u>	2.9%	4.0%
\$ 350,515	\$ 369,352	\$ 307,331	\$ 271,859	\$ 485,976	10.6%	12.2%
106,051	95,230	96,240	88,058	106,200	5.4%	1.2%
150,394	139,096	178,764	175,753	188,200	2.9%	4.9%
31,671	50,758	34,937	72,343	60,000	4.6%	12.4%
237,410	471,144	562,876	536,871	163,781	2.0%	- 5.8%
<u>\$ 876,041</u>	<u>\$1,125,580</u>	<u>\$1,180,148</u>	<u>\$1,144,884</u>	<u>\$1,004,157</u>	6.1%	5.3%
<u>\$5,018,404</u>	<u>\$5,019,578</u>	<u>\$5,304,028</u>	<u>\$5,659,997</u>	<u>\$5,483,585</u>	3.8%	4.0%
\$ 198,384	\$ 1,174	\$ 284,450	\$ 355,969	\$ (176,412)		
4.1%	0.0%	5.7%	6.7%	- 3.1%		



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education
ANALYSIS OF COMPUNDED GROWTH OF EXPENDITURES — ALL FUNDS

Last Ten Fiscal Years and 2012 Budget
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Compensation:						
Teacher salaries	\$1,690,449	\$1,749,974	\$1,820,063	\$1,850,403	\$1,916,378	\$1,924,109
ESP salaries	495,123	495,154	520,267	515,427	537,346	535,148
Total salaries	<u>\$2,185,572</u>	<u>\$2,245,128</u>	<u>\$2,340,330</u>	<u>\$2,365,830</u>	<u>\$2,453,724</u>	<u>\$2,459,257</u>
Teacher pension	179,011	190,259	194,511	198,065	247,585	282,488
ESP pension	70,843	73,754	79,498	81,560	87,530	83,317
Hospitalization	192,342	196,457	229,045	230,204	243,003	250,765
Medicare	22,212	23,358	25,480	26,719	29,989	25,279
Unemployment insurance	2,336	3,374	4,711	8,558	6,382	8,236
Workers' compensation	14,690	13,806	16,997	17,953	21,004	24,619
Total benefits	<u>\$ 481,434</u>	<u>\$ 501,008</u>	<u>\$ 550,242</u>	<u>\$ 563,059</u>	<u>\$ 635,493</u>	<u>\$ 674,704</u>
Total compensation	<u>\$2,667,006</u>	<u>\$2,746,136</u>	<u>\$2,890,572</u>	<u>\$2,928,889</u>	<u>\$3,089,217</u>	<u>\$3,133,961</u>
Non-compensation:						
Energy	\$ 53,453	\$ 62,388	\$ 63,233	\$ 64,647	\$ 70,760	\$ 77,133
Food	86,145	92,539	96,712	89,628	85,815	83,798
Textbooks	77,948	72,118	74,377	79,677	71,942	65,772
Supplies	40,655	40,653	42,380	45,210	46,965	45,945
Commodities — other	949	1,155	1,306	1,314	1,135	1,072
Professional fees	186,398	217,917	226,306	292,517	319,904	322,252
Charter schools	46,951	54,444	66,643	82,537	118,445	141,030
Transportation	95,502	98,901	96,775	93,639	92,589	97,076
Tuition	73,172	67,779	78,582	66,854	62,890	63,103
Telephone and telecommunications	24,880	13,981	6,208	8,635	16,944	13,701
Services — other	21,425	26,485	19,431	11,516	13,104	13,271
Equipment	51,947	42,398	43,315	44,081	38,335	34,614
Repairs and replacements	58,707	48,739	45,353	35,224	35,556	32,973
Capital outlays	381,156	443,890	365,351	389,450	310,821	345,020
Rent	8,104	9,468	7,974	10,393	14,174	12,965
Debt service	219,894	255,239	259,590	315,809	214,652	342,179
Other	(894)	(1,097)	(2,092)	6,215	5,894	6,429
Unallocated appropriations (budget only)	—	—	—	—	—	—
Total non-compensation	<u>\$1,426,392</u>	<u>\$1,546,997</u>	<u>\$1,491,444</u>	<u>\$1,637,346</u>	<u>\$1,519,925</u>	<u>\$1,698,333</u>
Total expenditures	<u>\$4,093,398</u>	<u>\$4,293,133</u>	<u>\$4,382,016</u>	<u>\$4,566,235</u>	<u>\$4,609,142</u>	<u>\$4,832,294</u>
Change in expenditures from previous year	\$ 18,882	\$ 199,735	\$ 88,883	\$ 184,219	\$ 42,907	\$ 223,152
Percent change in expenditures	0.5%	4.9%	2.1%	4.2%	0.9%	4.8%



Operating Information

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Budget 2012</u>	<u>Ten Year Compounded Growth Rate</u>	<u>Five Year Compounded Growth Rate</u>
\$1,885,400	\$1,975,940	\$2,026,257	\$2,023,510	\$2,082,768	2.1%	1.7%
559,741	597,533	604,042	610,741	628,859	2.4%	3.2%
\$2,445,141	\$2,573,473	\$2,630,299	\$2,634,251	\$2,711,627	2.2%	2.0%
350,483	392,801	475,628	306,111	339,335	6.6%	6.5%
89,776	93,791	96,913	102,158	99,796	3.5%	2.7%
260,386	299,206	311,048	353,878	348,352	6.1%	7.5%
31,075	33,667	34,826	35,004	37,631	5.4%	4.6%
5,764	8,599	16,000	21,992	16,825	21.8%	21.4%
29,757	28,148	28,244	25,859	30,043	7.4%	7.4%
<u>\$ 767,241</u>	<u>\$ 856,212</u>	<u>\$ 962,659</u>	<u>\$ 845,002</u>	<u>\$ 871,982</u>	6.1%	6.5%
<u>\$3,212,382</u>	<u>\$3,429,685</u>	<u>\$3,592,958</u>	<u>\$3,479,253</u>	<u>\$3,583,609</u>	3.0%	3.0%
\$ 86,759	\$ 92,354	\$ 78,682	\$ 83,356	\$ 82,590	4.4%	3.1%
83,326	89,592	93,088	93,766	112,250	2.7%	5.5%
89,514	86,356	70,596	70,249	74,121	-0.5%	0.6%
46,030	44,572	48,046	51,125	61,550	4.2%	5.6%
910	998	948	478	478	-6.6%	-15.9%
360,277	440,921	381,851	450,127	374,771	7.2%	3.2%
189,006	256,154	326,322	377,755	423,735	24.6%	29.0%
102,828	109,351	109,349	107,530	110,254	1.4%	3.6%
65,105	63,858	62,568	59,102	53,817	-3.0%	-3.1%
17,671	19,426	18,199	19,823	20,821	-1.8%	4.2%
13,253	13,935	15,688	11,789	21,295	-0.1%	10.2%
39,003	34,450	33,661	41,896	33,881	-4.2%	-2.4%
36,999	34,772	31,854	37,355	37,865	-4.3%	1.3%
463,067	648,314	691,774	563,390	391,140	0.3%	4.7%
11,020	12,000	12,093	11,941	11,684	3.7%	-3.8%
282,142	302,206	386,597	332,097	398,983	6.1%	13.2%
18,888	13,306	17,519	14,402	118,416	N/A	82.2%
—	—	—	—	—		
<u>\$1,905,798</u>	<u>\$2,262,565</u>	<u>\$2,378,835</u>	<u>\$2,326,181</u>	<u>\$2,327,651</u>	5.0%	8.9%
<u>\$5,118,180</u>	<u>\$5,692,250</u>	<u>\$5,971,793</u>	<u>\$5,805,434</u>	<u>\$5,911,260</u>	3.7%	5.1%
\$ 285,886	\$ 574,070	\$ 279,543	\$ (166,359)	\$ 105,826		
5.9%	11.2%	4.9%	-2.8%	1.8%		



Statistical Section

**CHICAGO PUBLIC SCHOOLS
Chicago Board of Education**

REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) — ALL FUNDS

Last Ten Fiscal Years and 2012 Budget

(Modified Accrual Basis of Accounting)

(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Revenues:				
Local	\$1,751,836	\$1,795,801	\$1,880,246	\$1,930,830
State	1,467,914	1,469,567	1,481,448	1,507,115
Federal	554,750	608,693	730,504	762,955
Total revenues	<u>\$3,774,500</u>	<u>\$3,874,061</u>	<u>\$4,092,198</u>	<u>\$4,200,900</u>
Total expenditures	4,093,398	4,293,133	4,382,016	4,566,235
Revenues less expenditures	<u>\$ (318,898)</u>	<u>\$ (419,072)</u>	<u>\$ (289,818)</u>	<u>\$ (365,335)</u>
Other Financing Sources:				
Bond proceeds	\$ 232,693	\$ 308,635	\$ 765,995	\$ 529,760
Net premiums/discounts	(9)	8,803	21,043	43,450
Proceeds from swaps	—	—	—	—
Capital leases	—	—	—	—
Insurance proceeds	—	—	—	—
Sales of general capital assets	—	—	—	—
Payment to bond escrow agent	—	—	(534,375)	(282,478)
Total other financing sources	<u>\$ 232,684</u>	<u>\$ 317,438</u>	<u>\$ 252,663</u>	<u>\$ 290,732</u>
Change in fund balance	<u>\$ (86,214)</u>	<u>\$ (101,634)</u>	<u>\$ (37,155)</u>	<u>\$ (74,603)</u>
Fund balance — beginning of period	1,345,272	1,259,058	1,157,424	1,120,269
Fund balance — end of period	<u>\$1,259,058</u>	<u>\$1,157,424</u>	<u>\$1,120,269</u>	<u>\$1,045,666</u>
Revenues as a percent of expenditures	92.2%	90.2%	93.4%	92.0%
Composition of fund balance				
Reserved:				
Reserved for encumbrances	\$ 380,340	\$ 245,902	\$ 291,730	\$ 238,238
Reserved for restricted donations	429	429	1,439	1,459
Reserved for specific purposes	36,096	41,289	42,015	43,675
Reserved for debt services	459,524	437,711	385,015	294,700
Unreserved:				
Designated to provide operating capital	201,500	161,233	171,300	190,000
Undesignated	181,169	270,860	228,770	277,594
Nonspendable	—	—	—	—
Restricted for grants and donations	—	—	—	—
Restricted for workers' comp/tort immunity	—	—	—	—
Restricted for capital improvement program	—	—	—	—
Restricted for debt service	—	—	—	—
Assigned for educational services	—	—	—	—
Assigned for appropriated fund balance	—	—	—	—
Assigned for debt service	—	—	—	—
Assigned for encumbrances	—	—	—	—
Unassigned	—	—	—	—
Total fund balance	<u>\$1,259,058</u>	<u>\$1,157,424</u>	<u>\$1,120,269</u>	<u>\$1,045,666</u>
Unreserved/Unassigned fund balance as a percentage of revenues	10.1%	11.2%	9.8%	11.1%
Total fund balance as a percentage of revenues	33.4%	29.9%	27.4%	24.9%

NOTE: The classification of fund balances for FY2011 was modified to comply with GASB 54, which was adopted in July 2010.



<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Budget 2012</u>
\$2,138,661	\$2,372,406	\$ 2,296,329	\$2,382,112	\$2,571,804	\$2,565,332	\$2,513,036
1,602,635	1,701,585	1,846,034	1,511,886	1,552,076	1,949,781	1,966,392
775,631	746,029	876,041	1,125,580	1,180,148	1,144,884	1,004,157
<u>\$4,516,927</u>	<u>\$4,820,020</u>	<u>\$ 5,018,404</u>	<u>\$5,019,578</u>	<u>\$5,304,028</u>	<u>\$5,659,997</u>	<u>\$5,483,585</u>
4,609,142	4,832,294	5,118,180	5,692,250	5,971,793	5,805,434	5,911,260
<u>\$ (92,215)</u>	<u>\$ (12,274)</u>	<u>\$ (99,776)</u>	<u>\$ (672,672)</u>	<u>\$ (667,765)</u>	<u>\$ (145,437)</u>	<u>\$ (427,675)</u>
\$ 385,603	\$ 355,805	\$ 1,674,555	\$ 225,675	\$1,083,260	\$ 638,790	\$ 638,790
3,798	14,444	41,226	—	6,459	14,700	14,700
—	—	—	—	—	—	—
3,700	—	—	—	—	—	—
—	—	—	1,155	—	—	—
7,596	25,673	6,404	91	—	—	—
—	—	(1,474,081)	(226,408)	(288,704)	(269,483)	(269,483)
<u>\$ 400,697</u>	<u>\$ 395,922</u>	<u>\$ 248,104</u>	<u>\$ 513</u>	<u>\$ 801,015</u>	<u>\$ 384,007</u>	<u>\$ 384,007</u>
\$ 308,482	\$ 383,648	\$ 148,328	\$ (672,159)	\$ 133,250	\$ 238,570	
1,045,666	1,354,148	1,578,331	1,726,659	1,054,500	1,187,750	
<u>\$1,354,148</u>	<u>\$1,737,796</u>	<u>\$ 1,726,659</u>	<u>\$1,054,500</u>	<u>\$1,187,750</u>	<u>\$1,426,320</u>	
98.0%	99.7%	98.1%	88.2%	88.8%	97.5%	
\$ 323,251	\$ 296,799	\$ 401,281	\$ 211,422	\$ 340,688	\$ —	
1,503	1,765	1,826	3,695	5,825	—	
84,388	129,597	102,695	101,072	109,163	—	
353,267	264,867	272,471	272,273	375,211	—	
218,400	233,200	258,000	181,200	—	—	
373,339	811,568	690,386	284,838	356,863	—	
—	—	—	—	—	1,972	
—	—	—	—	—	126,855	
—	—	—	—	—	91,036	
—	—	—	—	—	182,884	
—	—	—	—	—	271,643	
—	—	—	—	—	289,000	
—	—	—	—	—	181,300	
—	—	—	—	—	231,413	
—	—	—	—	—	44,924	
—	—	—	—	—	5,293	
<u>\$1,354,148</u>	<u>\$1,737,796</u>	<u>\$ 1,726,659</u>	<u>\$1,054,500</u>	<u>\$1,187,750</u>	<u>\$1,426,320</u>	
13.1%	21.7%	18.9%	9.3%	6.7%	0.1%	
30.0%	36.1%	34.4%	21.0%	22.4%	25.2%	



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

ANALYSIS OF COMPOUNDED GROWTH OF GENERAL OPERATING FUND REVENUES
Last Ten Fiscal Years and 2012 Budget
(Modified Accrual Basis of Accounting)
(Thousands of Dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Local revenue:					
Property taxes	\$1,429,307	\$1,495,382	\$1,520,557	\$1,587,803	\$1,666,118
Replacement taxes	57,193	48,852	61,897	94,546	131,639
Investment income	16,505	20,803	18,779	14,003	36,874
Other	66,917	76,609	87,545	85,377	101,129
Total local	<u>\$1,569,922</u>	<u>\$1,641,646</u>	<u>\$1,688,778</u>	<u>\$1,781,729</u>	<u>\$1,935,760</u>
State Revenue:					
General state aid	\$ 774,316	\$ 765,739	\$ 829,157	\$ 821,699	\$ 868,398
Teacher pension	65,045	65,045	—	65,045	74,922
Other	497,225	476,445	500,233	530,679	549,041
Total state	<u>\$1,336,586</u>	<u>\$1,307,229</u>	<u>\$1,329,390</u>	<u>\$1,417,423</u>	<u>\$1,492,361</u>
Federal revenue:					
Elementary and Secondary Education Act (ESEA)	\$ 177,841	\$ 209,971	\$ 244,118	\$ 277,610	\$ 273,900
Individuals with Disabilities Education Act (IDEA)	62,850	71,477	86,289	105,835	99,908
School lunch program	142,057	146,247	151,207	145,668	147,899
Medicaid	38,200	31,765	35,772	26,000	33,422
Other	118,625	143,217	186,435	191,290	202,602
Total federal	<u>\$ 539,573</u>	<u>\$ 602,677</u>	<u>\$ 703,821</u>	<u>\$ 746,403</u>	<u>\$ 757,731</u>
Total revenue	<u>\$3,446,081</u>	<u>\$3,551,552</u>	<u>\$3,721,989</u>	<u>\$3,945,555</u>	<u>\$4,185,852</u>
Change in revenue from previous year	\$ 47,215	\$ 105,471	\$ 170,437	\$ 223,566	\$ 240,297
Percentage change in revenue	1.4%	3.1%	4.8%	6.0%	6.1%



Operating Information

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Budget 2012</u>	<u>Ten year Compounded Growth Rate</u>	<u>Five Year Compounded Growth Rate</u>
\$1,716,516	\$1,763,282	\$ 1,867,350	\$2,035,938	\$1,904,169	\$ 2,038,000	3.6%	4.1%
147,403	159,805	132,819	96,816	172,384	103,560	6.1%	- 4.7%
61,595	40,905	21,405	3,084	1,920	2,100	- 18.6%	-43.6%
95,534	96,816	102,107	111,985	221,391	128,891	6.8%	5.0%
<u>\$2,021,048</u>	<u>\$2,060,808</u>	<u>\$ 2,123,681</u>	<u>\$2,247,823</u>	<u>\$2,299,864</u>	<u>\$ 2,272,551</u>	3.8%	3.3%
\$ 888,220	\$ 953,783	\$ 700,954	\$ 801,198	\$ 940,693	\$ 971,371	2.3%	2.3%
75,233	75,210	74,845	74,922	42,971	10,449	- 16.7%	- 32.6%
586,040	663,358	557,383	491,677	710,902	637,422	2.5%	3.0%
<u>\$1,549,493</u>	<u>\$1,692,351</u>	<u>\$ 1,333,182</u>	<u>\$1,367,797</u>	<u>\$1,694,566</u>	<u>\$ 1,619,242</u>	1.9%	1.6%
\$ 269,446	\$ 350,515	\$ 369,352	\$ 307,331	\$ 271,859	\$ 485,976	10.6%	12.2%
81,721	106,051	95,230	96,240	88,058	106,200	5.4%	1.2%
147,407	150,394	139,096	178,764	175,753	188,200	2.9%	4.9%
24,257	31,671	50,758	34,937	72,343	60,000	4.6%	12.4%
189,132	193,895	468,369	543,140	513,444	136,941	1.4%	- 7.5%
<u>\$ 711,963</u>	<u>\$ 832,526</u>	<u>\$ 1,122,805</u>	<u>\$1,160,412</u>	<u>\$1,121,457</u>	<u>\$ 977,317</u>	6.1%	5.2%
<u>\$4,282,504</u>	<u>\$4,585,685</u>	<u>\$ 4,579,668</u>	<u>\$4,776,032</u>	<u>\$5,115,887</u>	<u>\$ 4,869,110</u>	3.5%	3.1%
\$ 96,652	\$ 303,181	\$ (6,017)	\$ 196,364	\$ 339,855	\$ (246,777)		
2.3%	7.1%	- 0.1%	4.3%	7.1%	- 4.8%		



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

ANALYSIS OF COMPOUNDED GROWTH OF GENERAL OPERATING FUND EXPENDITURES
Last Ten Fiscal Years and 2012 Budget
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Compensation:						
Teacher salaries	\$1,690,449	\$1,749,974	\$1,820,063	\$1,850,403	\$1,916,378	\$1,924,109
ESP salaries	495,123	495,154	520,267	515,427	537,346	535,148
Total salaries	<u>\$2,185,572</u>	<u>\$2,245,128</u>	<u>\$2,340,330</u>	<u>\$2,365,830</u>	<u>\$2,453,724</u>	<u>\$2,459,257</u>
Teacher pension	179,011	190,259	194,511	198,065	247,585	282,488
ESP pension	70,843	73,754	79,498	81,560	87,530	83,317
Hospitalization	192,342	196,457	229,045	230,204	243,003	250,765
Medicare	22,212	23,358	25,480	26,719	29,989	25,279
Unemployment insurance	2,336	3,374	4,711	8,558	6,382	8,236
Workers' compensation	14,690	13,806	16,997	17,953	21,004	24,619
Total benefits	<u>\$ 481,434</u>	<u>\$ 501,008</u>	<u>\$ 550,242</u>	<u>\$ 563,059</u>	<u>\$ 635,493</u>	<u>\$ 674,704</u>
Total compensation	<u>\$2,667,006</u>	<u>\$2,746,136</u>	<u>\$2,890,572</u>	<u>\$2,928,889</u>	<u>\$3,089,217</u>	<u>\$3,133,961</u>
Non-compensation:						
Energy	\$ 53,453	\$ 62,388	\$ 63,233	\$ 64,647	\$ 70,760	\$ 77,133
Food	86,145	92,539	96,712	89,628	85,815	83,798
Textbooks	77,948	72,118	74,377	79,677	71,942	65,772
Supplies	40,655	40,653	42,380	45,210	46,965	45,945
Commodities — other	949	1,155	1,306	1,314	1,135	1,072
Professional fees	186,398	217,917	226,306	292,517	319,904	322,252
Charter schools	46,951	54,444	66,643	82,537	118,445	141,030
Transportation	95,502	98,901	96,775	93,639	92,589	97,076
Tuition	73,172	67,779	78,582	66,854	62,890	63,103
Telephone and telecommunications	24,880	13,981	6,208	8,635	16,944	13,701
Services — other	21,425	26,485	19,431	11,516	13,104	13,271
Equipment	51,947	42,398	43,315	44,081	38,335	34,614
Repairs and replacements	58,707	48,739	45,353	35,224	35,556	32,973
Capital outlays	118	17	15	—	4	5
Rent	8,104	9,468	7,974	10,393	14,174	12,965
Debt service	1,420	1,420	1,420	1,420	1,420	1,269
Other	(894)	(1,097)	(2,092)	6,215	5,894	6,429
Unallocated appropriations (budget only)	—	—	—	—	—	—
Total non-compensation	<u>\$ 826,880</u>	<u>\$ 849,305</u>	<u>\$ 867,938</u>	<u>\$ 933,507</u>	<u>\$ 995,876</u>	<u>\$1,012,408</u>
Total expenditures	<u>\$3,493,886</u>	<u>\$3,595,441</u>	<u>\$3,758,510</u>	<u>\$3,862,396</u>	<u>\$4,085,093</u>	<u>\$4,146,369</u>
Change in expenditures from previous year	\$ 140,767	\$ 101,555	\$ 163,069	\$ 103,886	\$ 222,697	\$ 61,276
Percent change in expenditures	4.2%	2.9%	4.5%	2.8%	5.8%	1.5%



Operating Information

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Budget 2012</u>	<u>Ten Year Compounded Growth Rate</u>	<u>Five Year Compounded Growth Rate</u>
\$1,885,400	\$1,975,940	\$2,026,257	\$2,023,510	\$2,082,768	2.1%	1.7%
559,741	597,533	604,042	610,741	628,859	2.4%	3.2%
<u>\$2,445,141</u>	<u>\$2,573,473</u>	<u>\$2,630,299</u>	<u>\$2,634,251</u>	<u>\$2,711,627</u>	2.2%	2.0%
350,483	392,801	475,628	306,111	339,335	6.6%	6.5%
89,776	93,791	96,913	102,158	99,796	3.5%	2.7%
260,386	299,206	311,048	353,878	348,352	6.1%	7.5%
31,075	33,667	34,826	35,004	37,631	5.4%	4.6%
5,764	8,599	16,000	21,992	16,825	21.8%	21.4%
29,757	28,148	28,244	25,859	30,043	7.4%	7.4%
<u>\$ 767,241</u>	<u>\$ 856,212</u>	<u>\$ 962,659</u>	<u>\$ 845,002</u>	<u>\$ 871,982</u>	6.1%	6.5%
<u>\$3,212,382</u>	<u>\$3,429,685</u>	<u>\$3,592,958</u>	<u>\$3,479,253</u>	<u>\$3,583,609</u>	3.0%	3.0%
\$ 86,759	\$ 92,354	\$ 78,682	\$ 83,356	\$ 82,590	4.4%	3.1%
83,326	89,592	93,088	93,766	112,250	2.7%	5.5%
89,514	86,356	70,596	70,249	74,121	— 0.5%	0.6%
46,030	44,572	48,046	51,125	61,550	4.2%	5.6%
910	998	948	478	478	— 6.6%	— 15.9%
360,277	440,921	381,851	450,127	374,771	7.2%	3.2%
189,006	256,154	326,322	377,755	423,735	24.6%	29.0%
102,828	109,351	109,349	107,530	110,254	1.4%	3.6%
65,105	63,858	62,568	59,102	53,817	— 3.0%	— 3.1%
17,671	19,426	18,199	19,823	20,821	— 1.8%	— 4.2%
13,253	13,935	15,688	11,789	10,368	— 7.0%	— 4.6%
39,003	34,450	33,661	41,896	33,881	— 4.2%	— 2.4%
36,999	34,772	31,854	37,355	37,865	— 4.3%	— 1.3%
10	12	10	5	—	— 100.0%	— 0.0%
11,020	12,000	12,093	11,941	11,684	3.7%	— 3.8%
21,704	1,037	2,710	—	—	— 100.0%	— 100.0%
18,888	13,306	17,519	14,402	118,416	N/A	82.2%
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>\$1,182,303</u>	<u>\$1,313,094</u>	<u>\$1,303,184</u>	<u>\$1,430,699</u>	<u>\$1,526,601</u>	6.3%	8.9%
<u>\$4,394,685</u>	<u>\$4,742,779</u>	<u>\$4,896,142</u>	<u>\$4,909,952</u>	<u>\$5,110,210</u>	3.9%	4.6%
\$ 248,316	\$ 348,094	\$ 153,363	\$ 13,810	\$ 200,258		
6.0%	7.9%	3.2%	0.3%	4.1%		



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES)

Last Ten Fiscal Years and 2012 Budget
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues:					
Local	\$1,569,922	\$1,641,646	\$1,688,778	\$1,781,729	\$1,935,760
State	1,336,586	1,307,229	1,329,390	1,417,423	1,492,361
Federal	539,573	602,677	703,821	746,403	757,731
Total revenues	\$3,446,081	\$3,551,552	\$3,721,989	\$3,945,555	\$4,185,852
Total Expenditures	3,493,886	3,595,441	3,758,510	3,862,396	4,085,093
Revenues less expenditures	\$ (47,805)	\$ (43,889)	\$ (36,521)	\$ 83,159	\$ 100,759
Other financing sources less transfers	1,527	7,711	15,071	328	4,145
Change in fund balance	\$ (46,278)	\$ (36,178)	\$ (21,450)	\$ 83,487	\$ 104,904
Fund balance — beginning of period	411,412	365,134	328,956	307,506	390,993
Fund balance — end of period	\$ 365,134	\$ 328,956	\$ 307,506	\$ 390,993	\$ 495,897
Revenues as a percent of expenditures	98.6%	98.8%	99.0%	102.2%	102.5%
Composition of fund balance					
Reserved:					
Reserved for encumbrances	\$ 118,726	\$ 78,879	\$ 67,542	\$ 97,313	\$ 102,286
Reserved for restricted donations	429	429	1,439	1,459	1,503
Reserved by law for specific purposes	36,096	41,289	42,015	43,675	84,388
Unreserved:					
Designated to provide operating capital	201,500	161,233	171,300	190,000	218,400
Undesignated	8,383	47,126	25,210	58,546	89,320
Nonspendable	—	—	—	—	—
Restricted for grants and donations	—	—	—	—	—
Restricted for workers' comp/tort immunity	—	—	—	—	—
Assigned for educational services	—	—	—	—	—
Assigned for appropriated fund balance	—	—	—	—	—
Assigned for encumbrances	—	—	—	—	—
Unassigned	—	—	—	—	—
Total fund balance	\$ 365,134	\$ 328,956	\$ 307,506	\$ 390,993	\$ 495,897
Unreserved/unassigned fund balance as a percent of revenues	6.1%	5.9%	5.3%	6.3%	7.4%
Total fund balance as a percentage of revenues	10.6%	9.3%	8.3%	9.9%	11.8%

NOTE: The classification of fund balances for FY2011 was modified to comply with GASB 54, which was adopted in July 2010.



Operating Information

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Budget 2012</u>
\$2,021,048	\$2,060,808	\$2,123,681	\$2,247,823	\$2,299,864	\$2,272,551
1,549,493	1,692,351	1,333,182	1,367,797	1,694,566	1,619,242
711,963	832,526	1,122,805	1,160,412	1,121,457	977,317
<u>\$4,282,504</u>	<u>\$4,585,685</u>	<u>\$4,579,668</u>	<u>\$4,776,032</u>	<u>\$5,115,887</u>	<u>\$4,869,110</u>
4,146,369	4,394,685	4,742,779	4,896,142	4,909,952	5,110,210
\$ 136,135	\$ 191,000	\$ (163,111)	\$ (120,110)	\$ 205,935	\$ (241,100)
1,904	3,813	20,389	17,851	109,830	
\$ 138,039	\$ 194,813	\$ (142,722)	\$ (102,259)	\$ 315,765	
495,897	474,783	669,596	526,874	424,615	
<u>\$ 633,936</u>	<u>\$ 669,596</u>	<u>\$ 526,874</u>	<u>\$ 424,615</u>	<u>\$ 740,380</u>	
103.3%	104.3%	96.6%	97.5%	104.2%	
\$ 97,731	\$ 132,684	\$ 110,685	\$ 111,166	\$ —	
1,765	1,826	3,695	5,825	—	
129,597	102,695	101,072	109,163	—	
233,200	258,000	181,200	—	—	
171,643	174,391	130,222	198,461	—	
—	—	—	—	1,972	
—	—	—	—	126,855	
—	—	—	—	91,036	
—	—	—	—	289,000	
—	—	—	—	181,300	
—	—	—	—	44,924	
—	—	—	—	5,293	
<u>\$ 633,936</u>	<u>\$ 669,596</u>	<u>\$ 526,874</u>	<u>\$ 424,615</u>	<u>\$ 740,380</u>	
9.5%	9.4%	6.8%	4.2%	0.1%	
14.8%	14.6%	11.5%	8.9%	14.5%	



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF TORT EXPENDITURES
As Required Under Section 9-103 (a-5) of the Tort Immunity Act
For the Fiscal Year Ended June 30, 2011

Eligible Expenditures:

Physical Education — Athletic Claims	\$ 68,657
Tort Claims — Administration Fee	449,243
Tort Claims — Major Settlements	752,000
Tort Claims — Casualty	823,345
General Liability Insurance	2,476,011
Property Damage Insurance	3,040,627
Property Loss Reserve Fund	240,022
Compensation and Benefits Management	183,704
Life Safety	29,999
Prop Advisor PG-Self Directed	1,780
School Safety Administration	383,417
School Safety Services	2,235,315
Student Identification Cards	209,808
Personnel Security Services	52,774,655
Security Police Officers	4,006,547
Central Service Security	3,975,211
Security Services	53,391
Risk Management Administration	292,126
Total Eligible Expenditures	<u>\$71,995,858</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF STUDENT ACTIVITY FUNDS

For the Fiscal Year Ended June 30, 2011

CASH AND INVESTMENTS HELD FOR STUDENT ACTIVITIES

	<u>Beginning Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Amounts Held for Student Activities</u>
Checking:				
Elementary Schools	\$15,459,932	\$36,544,390	\$34,669,625	\$17,334,697
Child Parent Centers	110,256	111,388	106,561	115,083
Alternative Schools	22,587	28,188	34,953	15,822
Middle Schools	747,435	903,467	941,969	708,933
High Schools	<u>11,565,667</u>	<u>33,234,067</u>	<u>31,692,389</u>	<u>13,107,345</u>
	<u>\$27,905,877</u>	<u>\$70,821,500</u>	<u>\$67,445,497</u>	<u>31,281,880</u>
Investments:				
Elementary Schools				476,586
Middle Schools				—
High Schools				<u>3,081,162</u>
Total Cash and Investments Held for Student Activities				<u>\$34,839,628</u>

STUDENT FEES

	<u>Graduation Fees (A)</u>	<u>Student Activity Fees (B)</u>	<u>Total</u>
Total Elementary School Fees	\$1,495,951	\$1,715,008	\$3,210,959
Total Elementary Students	<u>264,569</u>	<u>264,569</u>	<u>264,569</u>
Average Fee per Student	<u>\$ 5.65</u>	<u>\$ 6.48</u>	<u>\$ 12.14</u>
Total High School Fees	\$1,145,947	\$6,652,415	\$7,798,362
Total High School Students	<u>87,061</u>	<u>87,061</u>	<u>87,061</u>
Average Fee per Student	<u>\$ 13.16</u>	<u>\$ 76.41</u>	<u>\$ 89.57</u>

NOTES:

- A. Graduation fees are defined as all mandatory graduation fees, including cap and gown.
- B. Student activity fees are defined as fees collected from students to cover activities and items necessary to complete a given curriculum and fees collected from students to cover the cost of extra-curricular activities and items.



Statistical Section

**CHICAGO PUBLIC SCHOOLS
Board of Education of the City of Chicago**

SCHEDULE OF INSURANCE AND INSURANCE SERVICES

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
Broker Services	Mesirow Financial	07/01/10 — 06/30/11	\$ 108,000	Insurance placement and consultation. The contract with Mesirow for these services has been extended and continues.
PROPERTY INSURANCE				
All Risk - Property Insurance				
1st Layer of Property Insurance	Ironshore	07/01/10 — 06/30/11	\$ 410,000	\$15M xs \$500,000 deductible
1st Layer of Property Insurance	Allied World Assurance Co	07/01/10 — 06/30/11	650,625	
1st Layer of Property Insurance	Hiscox Inc.	07/01/10 — 06/30/11	216,788	
2nd Layer of Property Insurance	Ace American Insurance	07/01/10 — 06/30/11	175,000	\$35M xs 15 xs Ded
3rd Layer of Property Insurance	Ace American Insurance	07/01/10 — 06/30/11	30,000	\$15 M shared of \$50Mxs\$50M
3rd Layer of Property Insurance	Torus	07/01/10 — 06/30/11	52,050	\$25M shared of \$50Mxs\$50M
3rd Layer of Property Insurance	Great American	07/01/10 — 06/30/11	20,000	\$10M shared of \$50Mxs\$50M
4th Layer of Property Insurance	Torus	07/01/10 — 06/30/11	78,075	\$75M shared of \$150Mxs\$100M
4th Layer of Property Insurance	Great American	07/01/10 — 06/30/11	75,000	\$75M shared of \$150Mxs\$100M
TRIA	Hiscox Inc.	07/01/10 — 06/30/11	108,264	\$15 Million property subject to \$500 deductible \$2 Million Liability
Boiler & Machinery Insurance	Federal Chubb	07/01/10 — 06/30/11	123,008	\$100 million subject \$50,000 deductible
Commercial Crime Insurance				\$50 million subject to \$500,000 deductible Coverage including fidelity
1st Layer of Crime Insurance	Great American	07/01/10 — 06/30/11	40,991	\$10 million excess of \$500,000 deductible
2nd Layer of Crime Insurance	F&D/Zurich — American	07/01/10 — 06/30/11	35,627	\$10 million excess of \$10 million
3rd Layer of Crime Insurance	Travelers Casualty & Surety	07/01/10 — 06/30/11	29,640	\$10 million excess of \$20 million
4th Layer of Crime Insurance	Great American	07/01/10 — 06/30/11	35,000	\$20 million excess of \$30 million
			\$ 2,080,068	Total Property, Boiler & Machinery and Crime for year ending 6/30/11
Property Loss Reserve Fund			240,022	
Total Property Program			\$ 2,320,090	



Operating Information

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
Liability Insurance				
General Liability and School Board Legal Liability Insurance				\$75 million in excess of \$5million Self — Insured retention for General Liability and School Board Legal Liability for personal injury, property damage, employers liability discrimination and other “wrongful acts.” Premium includes surplus lines tax and fees.
1st Layer Liability Insurance	ACE American Ins.	07/01/10 — 06/30/11	\$ 369,852	\$5 million per loss excess \$10 million self — insured retention
2nd Layer Liability Insurance	AWAC — Allied World National Assurance	07/01/10 — 06/30/11	414,100	\$10 million excess \$10 million
3rd Layer Liability Insurance	Lexington	07/01/10 — 06/30/11	286,483	\$15 million excess \$10 million
4th Layer Liability Insurance	Great American	07/01/10 — 06/30/11	370,000	\$25 million excess \$25 million
5th Layer Liability Insurance	Crum & Foster	07/01/10 — 06/30/11	127,500	\$25 million excess \$50 million
Special Events	K & K on Great American	07/01/10 — 06/30/11	16,206	\$1 million, no deductible
Excess Special Events	K & K on Great American	07/01/10 — 06/30/11	5,250	\$5 million occ, \$5M agg no deductible
Excess Worker’s Compensation	National Union Fire Ins Co	07/01/10 — 06/30/11	242,504	Self insured for first \$5million. Excess coverage for claims over \$5 million deductible
Environmental/Pollution Legal Liability	American International Specialty Line	10/31/10 — 07/01/13	327,412	\$10 million, \$500,000 deductible
Fiduciary	ULICO/Hudson	07/01/10 — 06/30/11	90,699	\$10 million
			<u>\$ 2,250,006</u>	Total Liability Insurance Premiums and Related Expenses
Total Insurance Cost			<u>\$ 4,678,096</u>	
Self Insurance Programs				
General Liability Claims	Cannon Cochran Management Services, Inc.	07/01/10 — 06/30/11	\$ 1,578,639	Claim administration services including investigation and adjustment of liability claims; interscholastic, pay medical costs, legal expense and settlements.
	Cannon Cochran Management Services, Inc.	07/01/10 — 06/30/11	450,000	Administration fees
			<u>\$ 2,028,639</u>	Total General Liability Claims and Expenses



Statistical Section

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
Workers Compensation Claims	Sedgwick Claims Management Services, Inc.	07/01/10 — 06/30/11	\$ 1,427,574	Claim administration services including receive and review for compensability all employee accident claims. Review and apply PPO discount to medical claims. Pay indemnity costs for compensable claims. Determine case management needs. Provide claim statistics and establish safety initiatives. Escrow funding for claims authorized up to \$14,000,000.
			<u>\$ 25,736,011</u>	Amounts paid through escrow accounts to claimants, attorneys and expenses.
			<u>\$ 27,163,585</u>	Total Workers' Compensation Claims and Expenses
Life Safety Line	Various	07/01/10 — 06/30/11	\$ 297,787	Promotes Life Safety programs
Total Self Insured Programs			<u>\$ 29,490,011</u>	



Operating Information

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
Health Insurance / HMO/PPO				
Medical — Administrative Services	Blue Cross/Blue PPO	07/01/10 — 06/30/11	\$ 3,888,891	PPO Health care for eligible employees and dependents
	United Healthcare PPO	07/01/10 — 06/30/11	1,320,036	PPO Health care for eligible employees and dependents
	United Healthcare PPO w/HRA	07/01/10 — 06/30/11	368,853	PPO and Health Reimbursement Account for eligible employees and dependents
	Blue Cross HMO Illinois	07/01/10 — 06/30/11	4,999,485	HMO Health care for eligible employees and dependents
	United Healthcare HMO (EPO)	07/01/10 — 06/30/11	1,183,251	HMO Health care for eligible employees and dependents
Medical Total Admin. Fees			\$ 11,760,516	
Medical PPO Claim	Blue Cross/Blue Shield of Illinois	07/01/10 — 06/30/11	\$ 79,520,287	PPO Health care for eligible employees and dependents and retirees
	United Healthcare PPO	07/01/10 — 06/30/11	25,442,907	PPO Health care of eligible employees, dependents & retirees
	United Healthcare PPO w/HRA	07/01/10 — 06/30/11	5,531,095	PPO and Health Reimbursement Account for eligible employees and dependents
Medical Total PPO Claims			\$ 110,494,289	
Medical HMO Claims	Blue Cross HMO Illinois	07/01/10 — 06/30/11	\$ 154,150,577	HMO Healthcare for eligible employees and dependents and Claims and Physician Service Fees
	United Healthcare HMO	07/01/10 — 06/30/11	31,068,861	HMO Healthcare for eligible employees and dependents
Medical Total HMO Claims			\$ 185,219,438	
Medical Claims Total		07/01/10 — 06/30/11	\$ 295,713,727	
Medical Claims and Administration		07/01/10 — 06/30/11	\$ 307,474,243	
Managed Mental Health Service	United Behavioral Health	07/01/10 — 06/30/11	\$ 751,732	Mental health care for PPO eligible employees and dependents
Utilization Review and Case Management	Encompass	07/01/10 — 06/30/11	\$ 896,256	Pre — certification, utilization review and case management for PPO eligible employees and dependents
Prescription Drugs	Caremark	07/01/10 — 06/30/11	\$ 51,534,793	Pharmaceutical services for PPO and HMO eligible employees and dependents
Total Medical Expenses		07/01/10 — 06/30/11	\$ 360,657,024	



Statistical Section

<u>Type of Coverage</u>	<u>Provider Broker/ Insurer/TPA</u>	<u>Term From — To</u>	<u>Annual Expense</u>	<u>Coverage Details Limits of Liability</u>
Other Insurance				
Dental Insurance	Delta Dental HMO	07/01/10 — 06/30/11	\$ 3,498,684	Dental HMO for eligible employees and dependents
	Delta Dental	07/01/10 — 06/30/11	<u>7,818,005</u>	Dental PPO for eligible employees and dependents
Dental Insurance Total			<u>\$ 11,316,689</u>	
Vision Plan	Vision Service Plan (VSP)	07/01/10 — 06/30/11	<u>\$ 276,260</u>	Vision services for eligible employees and dependents
Term Life Insurance	Prudential Life Insurance	07/01/10 — 06/30/11	<u>\$ 2,069,045</u>	Life insurance policy at \$10,000 per eligible employee
Total Dental/Vision/Life			<u>\$ 13,661,994</u>	
Total Health/Life Benefit Expenses			<u>\$ 374,319,018</u>	





Educate • Inspire • Transform



Statistical Section

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF CAPITAL IMPROVEMENT PROGRAM — BY ACTIVITY
For the Fiscal Year Ended June 30, 2011
(Millions of dollars)

	<u>2002</u>	<u>2003</u>	<u>2004</u>
Unexpended	\$514.3	\$433.1	\$386.1
Proceeds available from bond issuance	232.7	313.6	257.3
State aid	—	58.1	82.2
Federal aid	15.2	6.0	26.7
Investment income	33.1	13.3	8.1
Other income	<u>1.1</u>	<u>9.6</u>	<u>11.8</u>
Total	\$796.4	\$833.7	\$772.2
Expenditures	363.3	441.6	360.8
Operating transfers in (out)	<u>—</u>	<u>(6.0)</u>	<u>15.1</u>
Unexpended	\$433.1	\$386.1	\$426.5
Encumbrances	<u>261.6</u>	<u>175.2</u>	<u>223.6</u>
Available balance	<u>\$171.5</u>	<u>\$210.9</u>	<u>\$202.9</u>

Note:

The above amounts do not include construction expenditures made by the Public Building Commission.



Operating Information

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	Total for last ten fiscal years ending June 30, 2011
\$426.5	\$359.3	\$496.8	\$ 646.4	\$565.7	\$ 73.9	\$261.6	\$ —
284.0	389.4	370.2	252.5	—	803.8	382.3	3,285.8
3.1	—	18.1	0.1	—	—	2.8	164.4
16.6	17.9	34.1	43.5	2.8	12.3	4.4	179.5
13.2	22.4	35.6	25.9	12.5	2.0	2.1	168.2
12.2	21.4	36.6	60.4	127.5	83.1	91.5	455.2
<u>\$755.6</u>	<u>\$810.4</u>	<u>\$991.4</u>	<u>\$1,028.8</u>	<u>\$708.5</u>	<u>\$975.1</u>	<u>\$744.7</u>	<u>\$4,253.1</u>
389.0	310.8	345.0	463.1	634.6	666.7	562.3	4,537.2
(7.3)	(2.8)	—	—	—	(46.8)	(0.2)	(48.0)
<u>\$359.3</u>	<u>\$496.8</u>	<u>\$646.4</u>	<u>\$ 565.7</u>	<u>\$ 73.9</u>	<u>\$261.6</u>	<u>\$182.2</u>	<u>\$ (332.1)</u>
140.8	220.2	199.1	268.6	73.9	229.5	182.2	182.2
<u>\$218.5</u>	<u>\$276.6</u>	<u>\$447.3</u>	<u>\$ 297.1</u>	<u>\$ —</u>	<u>\$ 32.1</u>	<u>\$ —</u>	<u>\$ (514.3)</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHOOL FOOD SERVICE PROGRAM
Last Five Fiscal Years
(Thousands of dollars)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
DAYS MEALS SERVED:					
National School Lunch Program	173	173	173	173	173
PUPIL LUNCHES SERVED:					
Paid lunches (regular)	2,827,976	3,057,617	2,596,483	2,285,279	1,909,112
Reduced lunches (regular)	3,480,051	3,390,609	3,198,477	2,971,564	2,332,040
Free lunches (regular)	43,011,934	42,203,781	41,759,323	41,870,094	39,495,186
TOTAL PUPIL LUNCHES SERVED	49,319,961	48,652,007	47,554,283	47,126,937	43,736,338
Daily Average	285,086	281,225	274,880	272,410	252,811
Change from Previous Year	(2,688,097)	(667,954)	(1,097,724)	(427,346)	(3,390,599)
Daily Percentage Change	-5.2%	-1.4%	-2.3%	-0.9%	-7.2%
PUPIL BREAKFASTS SERVED:					
Paid breakfasts (regular)	312,752	306,185	302,130	982,044	1,187,763
Reduced breakfasts (regular)	451,567	413,987	453,628	972,893	957,294
Free breakfasts (regular)	12,962,522	12,681,324	13,432,581	18,289,117	18,908,430
TOTAL PUPIL BREAKFASTS SERVED	13,726,841	13,401,496	14,188,339	20,244,054	21,053,487
Daily Average	79,346	77,465	82,014	117,018	121,696
Change from Previous Year	(720,045)	(325,345)	786,843	6,055,715	809,433
Daily Percentage Change	-5.0%	-2.4%	5.9%	42.7%	4.0%
TOTAL MEALS SERVED	63,046,802	62,053,503	61,742,622	67,370,991	64,789,825
Daily Average	364,432	358,691	356,894	389,428	374,508
Total Change From Previous Year	(3,408,142)	(993,299)	(310,881)	5,628,369	(2,581,166)
Daily Percentage Change	-5.1%	-1.6%	-0.5%	9.1%	-3.8%
NUMBER OF ADULT LUNCHES (REGULAR)					
301,213	262,999	205,062	172,624	142,832	
Daily Average	1,741	1,520	1,185	998	826
Total Change From Previous Year	(86,411)	(38,214)	(57,937)	(32,438)	(29,792)
Daily Percentage Change	-22.3%	-12.7%	-22.0%	-15.8%	-17.3%



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHOOL FOOD SERVICE PROGRAM (continued)
Last Five Fiscal Years
(Thousands of dollars)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
REVENUE:					
Federal and State Sources	\$158,166	\$161,174	\$152,556	\$192,323	\$ 189,087
Local Sources	35,303	40,889	56,767	17,774	17,803
Total Revenue	<u>\$193,469</u>	<u>\$202,063</u>	<u>\$209,323</u>	<u>\$210,097</u>	<u>\$ 206,890</u>
EXPENDITURES:					
Career Service Salaries	\$ 61,025	\$ 63,501	\$ 65,941	\$ 66,600	\$ 68,328
Career Service Pension	10,255	10,733	10,769	11,140	11,997
Hospitalization	20,897	21,737	24,528	20,597	23,347
Food	82,331	81,539	87,821	91,496	92,093
Professional and Special Services	2,748	2,650	3,037	3,240	2,717
Administrative Allocation	12,270	13,141	14,677	13,629	4,611
Other	3,946	2,687	2,549	3,395	3,797
Total Expenditures	<u>\$193,472</u>	<u>\$195,988</u>	<u>\$209,322</u>	<u>\$210,097</u>	<u>\$ 206,890</u>
Revenues Less Than Expenditures	<u>\$ (3)</u>	<u>\$ 6,075</u>	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ —</u>
DAILY AVERAGE					
Revenues	\$ 1,118	\$ 1,168	\$ 1,210	\$ 1,214	\$ 1,196
Expenditures	\$ 1,118	\$ 1,133	\$ 1,210	\$ 1,214	\$ 1,196
PERCENTAGE CHANGE					
Revenues	2.1%	4.4%	3.6%	0.4%	— 1.5%
Expenditures	2.1%	1.3%	6.8%	0.4%	— 1.5%



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

ANALYSIS OF UTILITY CONSUMPTION

For the Fiscal Year Ended June 30, 2011

With Comparative Amounts for the Period Ended June 2010

	<u>2011 Schools</u>	<u>2011 Administrative Center</u>	<u>Total</u>
<u>Electricity</u>			
Commonwealth Edison			
Total Electricity Charges (A)	\$ 54,742,095	\$ 969,380	\$ 55,711,475
Kilowatt Hours	580,686,893	10,304,240	590,991,133
Charge per Kilowatt Hour	<u>\$ 0.09427</u>	<u>\$ 0.09408</u>	<u>\$ 0.09427</u>
<u>Gas</u>			
Total Gas Charges	\$ 27,420,154	\$ 224,697	\$ 27,644,851
Therms	36,430,889	298,539	36,729,428
Charge per Therm	<u>\$ 0.75266</u>	<u>\$ 0.75266</u>	<u>\$ 0.75266</u>

	<u>2010 Schools</u>	<u>2010 Administrative Center</u>	<u>Total</u>
<u>Electricity</u>			
Commonwealth Edison			
Total Electricity Charges (B)	\$ 50,438,440	\$ 645,069	\$ 51,083,509
Kilowatt Hours	511,030,505	10,733,265	521,763,770
Charge per Kilowatt Hour	<u>\$ 0.09870</u>	<u>\$ 0.06010</u>	<u>\$ 0.09791</u>
<u>Gas</u>			
Total Gas Charges	\$ 27,359,928	\$ 238,873	\$ 27,598,801
Therms	34,060,084	292,736	34,352,820
Charge per Therm	<u>\$ 0.80328</u>	<u>\$ 0.81600</u>	<u>\$ 0.80339</u>

NOTES:

- A. Fiscal year 2011 electricity and consumption amounts represent amounts that have been billed for supply and delivery during fiscal year 2011 and have been paid to Commonwealth Edison as of July 31, 2011.
- B. Fiscal year 2010 electricity and consumption amounts represent amounts that have been billed for supply and delivery during fiscal year 2010 and have been paid to Commonwealth Edison as of July 31, 2010.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

PROPERTY SALES AND PURCHASES
For the Fiscal Year Ending June 30, 2011

Sales				
<u>Unit Location</u>	<u>Date Acquired</u>	<u>Net Book Value</u>	<u>Gross/Sales Proceeds</u>	<u>Gain/(Loss) on Sale</u>
		\$ —	\$ —	\$ —
		<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Purchases			
<u>Unit Location</u>	<u>Date Acquired</u>	<u>School</u>	<u>Purchase Cost</u>
4800 S. Hoyne	9/13/2010	New Back of the Yards	\$ 4,500,000
4700 S. Hoyne	10/25/2010	New Back of the Yards	5,292,958
6700 N. Whipple (Easement)	3/31/2011	West Ridge	542,480
			<u>\$10,335,438</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TEACHERS' BASE SALARIES
(Annual School Year Salary)
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Minimum Salary (A)</u>	<u>Median Salary</u>	<u>Maximum Salary (B)</u>	<u>Percent Change (C)</u>
2002	\$33,861	\$47,647	\$61,433	2.00%
2003	34,538	48,907	63,276	2.00%
2004	35,920	50,864	65,807	4.00%
2005	37,357	52,898	68,439	4.00%
2006	38,851	55,014	71,177	4.00%
2007	40,405	57,215	74,025	4.00%
2008	42,021	59,504	76,986	4.00%
2009	43,702	62,384	81,065	4.00%
2010	45,450	64,879	84,308	4.00%
2011	47,268	67,974	88,680	4.00%

NOTES:

- A. The minimum salary represents the minimum amount a CPS teacher with a bachelor's degree may earn for regular classroom instruction during the school year according to the lane and step salary schedule dependent on education attainment and years of service. Minimum salary excludes pension and hospitalization benefits.
- B. The maximum salary represents the maximum amount a CPS teacher with a doctoral degree may earn for regular classroom instruction during the school year according to the lane and step salary schedule dependent on education attainment and years of service. The majority of the Chicago Public Schools Teaching Staff receive the maximum salary due to the 14 year minimum needed to reach the highest pay scale dependent on years of service only. Maximum salary excludes pension and hospitalization benefits.
- C. The percent change is the official CTU (Chicago Teachers Union) agreed to minimum salary increase for that year, net of any changes to the salary schedule or step advances on the pay schedule.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TEACHERS' PENSION FUNDING ANALYSIS
Last Five Fiscal Years
(Thousands of dollars)

<u>Fiscal Year</u>	<u>Employer and Employee Contribution</u>	<u>Net Assets of Plan (Fair Market Value)</u>	<u>Unfunded Obligation (Assets at fair Market Value)</u>	<u>% Funded of Pension Obligation Fund at Year End (Assets at fair Market Value)</u>	<u>% Unfunded (Assets at fair Market)</u>
2006	\$247,585	\$10,947,998	\$3,087,629	78.0%	22.0%
2007	282,488	11,759,699	2,917,485	80.1%	19.9%
2008	350,483	12,069,417	3,134,324	79.4%	20.6%
2009	392,801	11,493,256	4,189,986	73.3%	26.7%
2010	475,628	10,917,417	5,372,773	67.0%	33.0%



Statistical Section

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

AVERAGE DAILY ATTENDANCE AND PER PUPIL COSTS

Last Five Fiscal Years

<u>Fiscal Year</u>	<u>School Year</u>	<u>Average Daily Attendance (A)</u>	<u>Operating Expenses Per Pupil (B)</u>	<u>Per Capita Tuition Charge (C)</u>
2007	2006-07	370,500	\$11,033	\$8,009
2008	2007-08	364,088	11,536	7,957
2009	2008-09	362,618	12,880	9,519
2010	2009-10	366,851	13,078	9,766
2011	2010-11	364,331	N/A	N/A

NOTES:

- A. *Source:* Office of Accountability, Department of Compliance.
- B. *Source:* Illinois State Board of Education — Operating Expense Pupil is the total operating cost of regular K-12 programs divided by the nine-month average daily attendance. This measure excludes expenditures related to Pre-school, Summer School, Adult Education, Capital Expenditures, and Board Principal and Interest.
- C. *Source:* Illinois State Board of Education — Per Capita Tuition Charge is the amount a local school district charges as tuition for non-resident students per Section 18-3 of the School Code. It is a reasonable measure of basic education program costs. Per Capita Tuition is calculated by deducting the costs of supplemental programs from operating expenses and dividing the result by the nine-month average daily attendance.





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Operating Information

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

TOTAL STUDENT MEMBERSHIP

Last Ten Fiscal Years

	<u>2002</u>	<u>2003</u>	<u>2004</u>
Elementary			
Pre-Kindergarten	21,109	21,788	22,085
Kindergarten	32,458	31,655	31,539
Grades 1-3	117,181	114,470	107,677
Grades 4-6	107,091	107,575	105,633
Grades 7-8	60,606	62,037	63,262
Total Elementary	<u>338,445</u>	<u>337,525</u>	<u>330,196</u>
Secondary			
9th Grade	34,116	33,895	35,813
10th Grade	28,186	28,780	27,925
11th Grade	20,755	21,519	22,347
12th Grade	16,116	16,870	18,138
Total Secondary	<u>99,173</u>	<u>101,064</u>	<u>104,223</u>
Grand Total	<u>437,618</u>	<u>438,589</u>	<u>434,419</u>

NOTES:

Source: Department of Compliance — Office of REA



<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
21,417	21,205	21,363	21,388	23,325	24,370	23,705
29,986	29,502	28,403	27,901	28,975	29,632	28,812
101,944	98,157	95,744	93,853	93,416	92,581	91,899
103,005	100,065	94,235	90,701	89,234	88,695	87,834
<u>64,205</u>	<u>62,921</u>	<u>62,385</u>	<u>62,217</u>	<u>59,839</u>	<u>58,231</u>	<u>56,791</u>
<u>320,557</u>	<u>311,850</u>	<u>302,130</u>	<u>296,060</u>	<u>294,789</u>	<u>293,509</u>	<u>289,041</u>
35,529	36,735	37,514	35,151	34,233	32,877	31,081
29,218	29,555	30,286	31,994	32,177	34,659	33,303
22,711	23,764	23,871	24,608	25,292	25,436	26,277
<u>18,797</u>	<u>19,078</u>	<u>19,893</u>	<u>20,788</u>	<u>21,464</u>	<u>22,798</u>	<u>22,979</u>
<u>106,255</u>	<u>109,132</u>	<u>111,564</u>	<u>112,541</u>	<u>113,166</u>	<u>115,770</u>	<u>113,640</u>
<u>426,812</u>	<u>420,982</u>	<u>413,694</u>	<u>408,601</u>	<u>407,955</u>	<u>409,279</u>	<u>402,681</u>



Operating Information

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

TEACHER - TO - STUDENT - RATIO

Last Ten Fiscal Years

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Elementary	22.6	19.3	22.7	20.2	21.7	21.1	20.0	23.5	21.3	23.2
Secondary	20.0	19.0	19.6	16.9	19.3	19.6	16.3	19.5	19.7	19.8

Source: Illinois State Board of Education

Note:

Starting in 2009, the ratio includes Charter Schools.



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

SCHEDULE OF GOVERNMENT EMPLOYEES BY FUNCTION

Last Four Fiscal Years

As of June 30, 2011

<u>Functions</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Instruction	28,917	28,184	27,612	26,383
Support services:				
Pupil support services	4,428	4,535	4,879	4,891
Administrative support services	1,351	1,418	1,154	1,123
Facilities support services	1,781	1,789	1,698	1,686
Instructional support services	3,883	3,807	3,642	3,380
Food services	4,009	3,901	3,630	3,661
Community services	437	387	327	320
Total government employees	<u>44,806</u>	<u>44,021</u>	<u>42,942</u>	<u>41,444</u>

Note:

Information is not available prior to fiscal year 2008



Operating Information

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

NUMBER OF SCHOOLS, SCHOOL ENROLLMENT AND HIGH SCHOOL GRADUATES

Last Ten Fiscal Years

	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>
Number of Schools			
Elementary (A)	480	479	482
Special	28	27	25
High School	70	75	82
Vocational/Technical	7	7	6
Charter Schools	15	14	18
Total Schools	<u>600</u>	<u>602</u>	<u>613</u>
School Enrollment (B)			
Elementary (A)	331,385	328,261	319,966
Special	6,348	5,111	4,937
High School	84,759	87,740	90,888
Vocational/Technical	9,042	8,633	8,135
Charter Schools	6,084	8,844	10,493
Total School Enrollment	<u>437,618</u>	<u>438,589</u>	<u>434,419</u>
Number of High School Graduates	<u>15,752</u>	<u>15,753</u>	<u>16,057</u>

NOTES:

Source: Department of Compliance — Office of REA

- A. Elementary schools include the traditional classification of middle schools.
- B. School enrollment includes the number of students in each type of school regardless of the students' grades.



<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>
475	475	472	474	474	474	474
19	18	18	17	17	13	12
93	98	93	98	98	109	107
6	12	12	10	10	8	8
20	22	27	28	67	71	82
<u>613</u>	<u>625</u>	<u>622</u>	<u>627</u>	<u>666</u>	<u>675</u>	<u>683</u>
309,818	298,030	287,252	279,823	274,875	272,308	264,569
3,730	3,076	3,222	2,846	2,762	2,073	1,940
92,787	88,490	88,487	88,936	90,055	91,390	87,061
8,203	15,970	15,313	14,219	11,251	9,956	8,833
12,274	15,416	19,420	22,777	29,012	33,552	40,278
<u>426,812</u>	<u>420,982</u>	<u>413,694</u>	<u>408,601</u>	<u>407,955</u>	<u>409,279</u>	<u>402,681</u>
<u>16,487</u>	<u>16,898</u>	<u>18,235</u>	<u>20,285</u>	<u>18,972</u>	<u>22,245</u>	<u>20,131</u>



Operating Information

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

SCHOOL INFORMATION DESCRIPTION

The school general information tables contain student and financial data as of June 30, 2011. The following is an explanation of each data element.

<u>COLUMN NAME</u>	<u>DESCRIPTION</u>
Unit Name	School Name
Student Membership	Total membership as of September 30, 2010
Per Pupil Regular Expenditures	Total Fiscal Year 2011 school expenses per student
Per Pupil Capital Expenditures	Total Fiscal Year 2011 capital expenses per student
Per Pupil Supplementary Expenditures	Total Fiscal Year 2011 State, Federal Chapter 1, PL94-142 and desegregation expenses per student at the school (included in Per Pupil Regular Expenditures).



General Information For High Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for High Schools	754	\$11,490	\$ 1,651	\$1,109
ACE Tech Chtr HS	476	\$10,733	\$ 317	\$1,126
Air Force Acad HS	212	12,332	21,106	931
Alcott Hs Humanities	177	2,076	24	—
Alternative Safe Schools HS	335	3,936	—	1,514
Amandla Chrtr HS	293	9,461	—	1,042
Amundsen HS	1,645	8,611	1,440	980
ASPIRA Chrtr — Early College	524	10,190	—	1,064
ASPIRA Chrtr — Ramirez	408	10,578	5	1,239
Austin Bus & Entrp HS	383	11,143	718	1,326
Austin Polytech HS	363	11,493	1,705	1,022
Best Practice HS	70	24,128	2,400	1,339
Bogan Tech HS	1,786	9,346	320	1,312
Bowen Env HS	251	16,431	8	2,323
Bronzeville HS	551	9,196	2,551	1,167
Brooks CPHS	765	10,095	34,437	1,368
Carver Mil Acad HS	550	12,380	1,078	1,096
Chgo Intl Chrt — Northtown	855	9,950	—	853
Chgo Intl Chrtr — Ellison	545	10,543	3	1,117
Chgo Intl Chrtr — Hawkins	431	12,003	—	961
Chgo Math/Sci Chrtr	595	10,063	8	909
Chgo Voc AA HS	270	9,754	—	1,151
Chicago Acad Adv Tech HS	199	15,079	4,879	935
Chicago Acad HS	501	9,517	—	958
Chicago Agr Sci HS	593	13,275	570	921
Chicago Discovery HS	321	12,614	6	1,559
Chicago HS Arts	300	10,058	4	401
Chicago Mil Acad HS	502	10,642	2	960
Chicago Talent Dev HS	228	10,597	62	931
Chicago Voc HS	1,106	12,689	469	1,497
Clark Magnet HS	942	9,463	5	1,164
Clemente Aa HS	227	9,878	2,279	936
Clemente HS	1,283	11,820	5,211	1,317
Collins Acad HS	421	10,901	2,752	1,218
Comm Services West	165	9,505	—	457
Corliss HS	747	11,561	145	1,544
Crane AA HS	244	11,572	—	1,129
Crane Tech HS	513	17,584	3,696	2,206
Curie HS	3,457	8,445	339	1,057
Devry Advantage HS	221	6,884	—	513
Douglass HS	383	13,309	—	1,923
Dunbar Voc HS	1,507	9,554	2,752	1,129



General Information For High Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for High Schools	754	\$11,490	\$1,651	\$1,109
Dyett HS	431	13,741	2	1,529
Entrepreneurship HS	275	12,456	—	1,631
Epic Acad HS	259	11,729	—	959
Farragut HS	1,598	10,121	1,288	1,436
Fenger HS	784	15,038	954	1,621
Fenger Aa HS	105	13,739	6,920	1,519
Ford Acad — Power Hse Chrtr HS	367	10,253	—	993
Foreman HS	1,831	8,971	76	1,188
Gage Park HS	1,252	10,105	801	1,562
Global Visions HS	140	16,927	15	2,234
Graham, R. Trng Ctr	171	30,721	42	1,230
Hancock HS	984	8,000	1,970	1,173
Harlan HS	1,260	10,270	1,263	1,376
Harper HS	669	14,568	703	1,172
Hirsch HS	501	14,467	24	1,898
Hope CPHS	680	11,228	5,651	1,536
Hubbard HS	1,689	8,659	704	1,224
Hyde Park HS	1,591	9,300	1,047	1,189
Idoc/Healy South HS	154	11,993	—	618
Infinity HS	364	9,640	1	1,484
Instituto Health Sci HS	178	12,887	5	844
Jefferson, N	262	30,927	—	830
Jones Cphs	847	9,608	6,878	427
Juarez HS	1,630	8,984	1,571	1,248
Julian HS	1,224	10,419	735	1,214
Kelly HS	3,062	8,430	7	1,282
Kelvyn Park HS	1,382	9,251	10	1,299
Kennedy HS	1,580	9,205	1,530	880
Kenwood HS	1,815	8,003	541	932
King CPHS	936	10,115	2,637	869
Lake View HS	1,553	8,545	272	1,088
Lane Tech HS	4,165	7,333	778	486
LINC Alt HS	560	1,899	2	851
Lincoln Park HS	2,228	7,667	1,479	554
Lindblom MSHS	872	9,598	1	755
Manley HS	650	13,692	2,426	1,469
Marine Mil Acad HS	379	10,591	1,822	734
Marshall HS	772	14,694	8,593	1,380
Mather HS	1,603	8,880	6,333	1,174
Morgan Park HS	1,658	8,847	413	908
Multicultural Arts HS	341	9,696	1	1,334



General Information For High Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for High Schools	754	\$11,490	\$1,651	\$1,109
New Millnm HS	169	12,863	12	1,522
Noble St. Chrtr HS	596	10,427	—	1,105
Noble St. Chrtr HS — Chicago Bulls	522	11,134	90	861
Noble St. Chrtr HS — Comer	518	10,557	—	880
Noble St. Chrtr HS — Englewood	178	13,596	—	923
Noble St. Chrtr HS — Golder	547	10,292	—	945
Noble St. Chrtr HS — Muchin	529	10,796	—	795
Noble St. Chrtr HS — Prtizker	680	9,652	—	1,016
Noble St. Chrtr HS — Rauner	588	9,917	—	961
Noble St. Chrtr HS — Rowe-clark	538	10,565	—	991
Noble St. Chrtr HS — UIC HS	594	10,013	1,629	844
North-Grand HS	875	9,209	296	1,061
Northside CPHS	1,086	8,759	67	363
Northside Lrn Ctr HS	311	25,775	3	823
Nth Lawndale Chrtr — Christiana	462	10,586	6	1,086
Nth Lawndale Chrtr — Collins	419	10,316	2,542	1,080
Ogden Int HS	532	815	—	—
Orr Acad HS	956	11,821	253	1,335
Payton CPHS	892	9,391	2,377	412
Peace & Education Alt HS	113	23,713	1,034	1,221
Perspectives Charter — Joslin	366	10,888	—	949
Perspectives Chrtr — Cal Tech	512	10,112	—	940
Perspectives Chrtr — Calumet HS	488	10,230	—	1,023
Perspectives Chrtr — IIT	501	10,904	2,568	1,035
Phillips AA HS	76	15,351	—	626
Phillips HS	687	12,584	6,477	992
Phoenix Mil Acad HS	432	10,975	1,418	1,464
Prologue Early College HS	174	10,736	21	625
Prosser HS	1,412	9,577	1	1,074
Raby HS	558	10,049	2	1,021
Richards HS	547	10,094	2,812	1,473
Rickover Naval HS	448	9,962	—	1,100
Robeson AA HS	168	10,494	—	1,464
Robeson HS	776	13,374	290	2,606
Roosevelt HS	1,430	9,354	2	1,184
Sch Of Leadrshp HS	272	13,734	1,600	1,562
Sch Of Soc Just HS	368	9,481	1	1,296
Sch Of Tech HS	289	10,235	39	1,365
Sch Of The Arts HS	369	10,509	—	1,367
Schurz HS	2,235	9,045	4,337	1,067
Senn AA HS	72	19,916	—	1,284



General Information For High Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for High Schools	754	\$11,490	\$ 1,651	\$1,109
Senn HS	1,037	10,433	8,296	1,376
Shabazz Chrtr — Dusable	407	10,419	3,935	1,007
Simeon HS	1,546	9,472	860	1,050
Simpson HS	159	14,677	2,619	1,344
Solorio HS	295	11,699	50,386	654
Southside Occp HS	196	30,894	805	1,052
Spry Comm Links HS	186	10,653	142	1,307
Steinmetz HS	1,889	8,928	668	1,185
Sullivan HS	764	12,757	1,300	1,554
Taft HS	2,810	7,667	368	474
TEAM Englewood HS	446	11,717	1,073	1,328
Tilden Aa HS	167	11,847	—	1,281
Tilden HS	467	16,153	2	2,260
U Of C Chrtr — Woodlawn	537	10,388	—	1,063
UNO Charter School—Garcia	438	10,454	—	1,009
Uplift Community HS	520	11,591	409	1,263
Urban Prep Acad Yng Men — E. Garfield Pk	241	10,828	—	—
Urban Prep Acad Yng Men — South Shore	136	13,559	—	769
Urban Prep Chtr HS	530	10,094	—	899
Vaughn Occp HS	218	24,194	297	1,187
VOISE Acad HS	361	11,675	991	1,261
Von Steuben HS	1,631	8,474	970	825
Washington, G. HS	1,442	9,188	458	1,047
Wells HS	642	11,265	1,071	1,081
Westinghouse Cp	555	10,912	1,750	969
Williams HS — Prep Med	340	8,514	2,398	1,062
World Language HS	379	9,948	1	1,315
Yng Women Ldrshp Chrtr	335	10,206	3	1,043
York Alt HS	303	24,122	—	230
Young Magnet HS	2,162	8,360	798	404
Youth Connections Chrtr	3,524	9,917	1	1,058



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$1,093	\$1,187
Addams	915	\$ 7,398	\$ 4	\$1,028
Agassiz	430	11,005	11	914
Albany Park	261	10,566	4	1,222
Alcott	511	12,255	498	376
Aldridge	284	8,972	3	1,305
Altgeld	587	7,960	1,171	1,330
Ames	567	7,892	65	1,144
Andersen	103	21,705	—	2,248
Ariel	524	6,884	13	888
Armour	332	10,257	3,623	1,138
Armstrong, G.	1,418	6,627	8	987
Armstrong, L.	108	15,253	9	1,567
Ashburn	461	9,574	9	1,161
Ashe	469	7,857	2	1,490
Aspira Chrtr — Haugan	560	8,151	2	1,047
Attucks	268	11,312	2,027	1,529
Audubon	537	9,084	63	307
Avalon Park	397	9,196	170	1,529
Avondale	724	6,211	183	979
Azuela	766	5,584	4,862	761
Banneker	324	10,163	3	1,908
Barnard	274	10,962	3	1,483
Barry	756	7,559	8	1,177
Barton	568	8,913	21	1,471
Bass	429	8,138	35	1,316
Bateman	1,015	7,047	1	972
Beard	159	33,329	—	538
Beasley Magnet	1,419	6,447	3,046	1,530
Beaubien	1,167	6,530	—	658
Beethoven	460	9,337	7,527	1,051
Beidler	408	10,524	2,412	1,895
Belding	623	6,955	255	724
Bell	952	9,198	574	395
Belmont-Cragin	632	7,183	1	680
Bennett	550	8,721	543	1,323
Bethune	351	9,537	1,738	995
Black Magnet	477	8,709	94	699
Blaine	917	6,130	192	161
Blair	114	40,889	683	733
Bond	343	11,452	2,031	1,926
Bontemps	358	7,487	11	1,211



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$ 1,093	\$1,187
Boone	742	8,839	21	1,494
Bouchet	749	7,948	25	1,160
Bradwell	694	8,517	7,519	1,232
Brennemann	355	10,501	441	904
Brentano	462	8,288	133	1,063
Bridge	936	6,420	1	639
Bright	372	9,258	89	1,268
Brighton Park	729	8,212	1	1,573
Bronzeville LH Chrtr	472	8,294	210	1,055
Brown, R.	305	9,240	3	1,482
Brown, W.	214	15,167	8,900	1,150
Brownell	310	8,675	3	917
Brunson	648	8,070	6	1,066
Buckingham	39	51,329	24	957
Budlong	831	7,552	4	770
Burbank	1,200	7,266	16	1,179
Burke	256	10,348	90	749
Burley	568	7,687	2	178
Burnham	283	9,302	7	1,084
Burnside	760	8,137	6	1,664
Burr	355	8,238	35	678
Burroughs	471	8,448	2	1,176
Byrne	692	7,258	13	471
Caldwell	320	9,971	203	1,926
Calhoun North	303	9,916	747	1,747
Calmecca	693	6,535	9,507	950
Cameron	861	7,876	21	1,517
Camras	664	6,793	14,272	851
Canter Mid	208	12,278	5	1,025
Canty	750	6,818	1,038	341
Cardenas	637	7,832	567	943
Carnegie	704	6,572	4	918
Carpenter	138	17,485	11,333	1,727
Carroll-Rosenwald	582	8,336	69	1,034
Carson	1,284	6,565	1	1,287
Carter	404	7,961	2	978
Carver Primary	427	10,976	3,994	2,680
Casals	507	8,598	13	1,094
Cassell	354	10,841	29	176
Castellanos	545	8,082	9	1,502



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$ 1,093	\$1,187
Catalyst Chrtr- Howland	504	8,199	6	909
Catalyst Chrtr-Circle Rock	498	8,384	—	906
Cather	219	11,048	5,125	1,778
Chalmers	261	9,517	132	812
Chappell	450	9,303	21	966
Chase	496	9,169	2,177	1,048
Chavez	877	8,453	77	1,040
Chgo Intl Chrtr — Basil	721	8,645	—	1,012
Chgo Intl Chrtr — Bond	349	8,691	—	1,061
Chgo Intl Chrtr — Bucktown	657	8,152	—	912
Chgo Intl Chrtr — Irving Pk	499	8,182	—	791
Chgo Intl Chrtr — Longwood	1,471	8,903	181	882
Chgo Intl Chrtr — Prairie	404	8,588	—	1,210
Chgo Intl Chrtr — South Shore	426	8,103	—	1,085
Chgo Intl Chrtr — W. Belden	500	9,211	—	1,076
Chgo Intl Chrtr — Washington	434	8,119	—	1,136
Chgo Intl Chrtr — Wrightwood	720	8,215	—	984
Chicago Acad	600	7,521	79	598
Chicago Virtual Chrtr	589	8,089	—	398
Chopin	309	9,400	10	1,203
Christopher	275	26,941	4,355	952
Claremont	540	10,353	2	1,478
Clark, G. R.	304	10,726	885	1,260
Clay	664	8,221	115	1,043
Cleveland	699	8,309	1	945
Clinton	1,073	6,681	1	1,244
Clissold	581	8,768	19	1,200
Colemon, J.	275	9,101	7	903
Coles	533	9,135	12	1,469
Columbia Explorers	1,013	7,044	1	1,111
Columbus	328	7,931	14	993
Cook	546	9,402	107	1,614
Coonley	582	8,433	2,969	423
Cooper	718	7,647	325	1,053
Copernicus	334	10,995	173	1,114
Corkery	642	6,907	4	1,275
Courtenay	222	12,475	—	877
Crown	337	10,156	6	1,957
Cuffe	534	7,645	6	1,212
Cullen	238	10,807	44	1,855
Curtis	455	9,227	13,843	1,254



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$1,093	\$1,187
Daley	820	7,093	22	1,272
Darwin	671	8,316	3,275	1,066
Davis, Miles	442	10,060	988	1,050
Davis, N.	1,048	8,039	3	1,766
Dawes	1,105	7,662	70	1,278
De Diego	906	7,837	228	1,267
Decatur Classical	283	8,790	6	1,675
Delano	426	9,544	135	3,044
Deneen	480	8,349	2,924	1,069
DePriest	567	8,848	2	1,333
Dett	246	10,774	22	1,149
Dever	837	6,242	2,195	346
Dewey	342	12,245	6	4,380
Dirksen	741	6,970	24	695
Disney II	312	8,552	3,510	875
Disney Magnet	1,640	7,074	323	707
Dixon	653	6,858	2,608	925
Dodge	458	7,930	697	1,196
Doolittle	320	10,052	453	910
Dore	590	7,398	8	442
Drake	247	12,253	4	1,021
Drummond	319	9,959	115	2,721
Dubois	219	10,955	3,034	1,737
Dulles	499	7,890	870	1,057
Dumas	395	8,690	2,234	1,097
Dunne	352	10,255	3	1,610
Durkin Park	548	7,303	424	846
Dvorak	550	8,054	5,592	1,647
Earhart	266	10,638	35	841
Earle	306	10,754	106	1,749
Eberhart	1,781	6,581	6	1,231
Ebinger	633	7,406	3,906	97
Edgebrook	452	7,755	2,404	89
Edison	269	8,739	4	1,575
Edison Park	381	7,344	5	125
Edwards	1,413	6,984	1	1,185
Ellington	382	9,817	2	1,632
Emmet	495	8,288	2	1,432
Emmett Till	484	9,484	113	1,391
Ericson	501	8,303	6	1,790
Erie Charter	301	9,140	—	1,109



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$ 1,093	\$1,187
Esmond	354	9,606	412	1,442
Everett	333	7,965	71	953
Evergreen	381	9,291	2	1,526
Evers	393	8,414	2,834	949
Fairfield	612	7,648	—	1,355
Falconer	1,516	6,644	2	1,169
Faraday	205	10,005	1,649	1,352
Farnsworth	595	9,559	2,184	458
Fermi	225	12,282	845	1,304
Fernwood	314	9,817	28	1,288
Field	380	8,335	216	1,483
Finkl	551	8,023	2	1,255
Fiske	284	10,502	2,187	1,714
Fort Dearborn	517	8,491	818	1,391
Foster Park	456	11,379	28	1,037
Franklin Fine Art	363	9,583	8	295
Frazier Intl Magnet	215	12,861	111	2,685
Frazier Prep Acad	433	8,121	9	1,219
Fuller	211	11,716	4	1,241
Fulton	488	9,271	2	1,132
Funston	648	7,383	39	1,180
Galapagos Charter	351	8,152	—	993
Gale	515	10,021	53	1,453
Galileo	616	7,926	—	867
Gallistel	1,444	6,767	10	1,108
Garfield Park	216	8,301	—	799
Garvey, M.	349	9,376	3	1,103
Garvy, J.	687	6,887	12,924	309
Gary	1,180	7,027	29	1,167
Gillespie	489	9,017	18	1,391
Global Citizenship	198	9,279	3	743
Goethe	787	7,173	48	888
Goldblatt	273	9,867	—	1,543
Gompers	287	9,859	1,217	1,232
Goodlow Magnet	451	8,807	—	1,284
Goudy	756	7,821	17	1,208
Graham, A.	483	9,027	65	1,259
Gray	1,282	7,532	225	1,143
Greeley	566	8,470	59	960
Green, W.	267	9,806	36	1,567
Greene, N.	630	7,391	38	1,052



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$ 1,093	\$1,187
Gregory	368	8,244	5,330	1,197
Gresham	389	9,814	164	1,439
Grimes	474	8,542	9	1,003
Grissom	312	9,196	3	729
Guggenheim	259	8,710	4	1,207
Gunsaulus	903	7,035	83	1,317
Haines	704	7,195	7	1,009
Hale	877	7,081	53	758
Haley	512	8,647	7,796	1,486
Hamilton	293	11,897	641	701
Hamline	698	8,375	631	1,533
Hammond	448	9,436	7	1,676
Hampton	689	7,976	1	1,045
Hanson Park	1,438	8,406	937	1,093
Harte	359	8,351	9	835
Harvard	455	8,207	55	1,199
Haugan	1,288	6,810	15	1,077
Hawthorne	567	7,402	4	956
Hay	575	7,453	965	1,347
Hayt	999	6,625	17	1,042
Healy	1,365	6,961	44	1,214
Hearst	346	10,598	23	1,389
Hedges	878	7,449	1	1,080
Hefferan	287	10,124	690	1,252
Henderson	429	8,182	1,361	1,312
Hendricks	340	9,315	13	1,068
Henry	636	8,027	163	1,395
Henson	280	10,316	3	1,412
Herbert	376	11,977	21	1,546
Hernandez Middle	986	5,943	325	937
Herzl	554	9,668	11	2,910
Hibbard	1,205	7,397	1	1,061
Higgins	384	9,329	9	1,730
Hinton	378	8,633	2	1,202
Hitch	518	7,108	6,061	681
Holden	592	8,878	3	1,256
Holmes	369	8,683	10,874	1,262
Hope Institute	350	12,188	2,317	716
Howe	579	7,762	3,794	1,069
Hoynes	275	9,628	3	1,128
Hughes, C.	304	7,839	3	1,401



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$1,093	\$1,187
Hughes, L.	488	11,186	794	1,382
Hurley	848	8,114	1	1,292
Inter-American	682	7,270	345	1,384
Irving	497	8,116	33	1,277
Jackson, A.	550	8,009	1	206
Jackson, M.	306	12,289	7	1,306
Jahn	416	8,958	2	1,186
Jamieson	796	7,963	1,559	876
Jenner	376	11,458	2	2,105
Jensen	409	8,168	18	1,085
Johnson	364	8,753	34	796
Joplin	566	7,750	235	1,143
Jordan	721	7,071	251	1,276
Jungman	300	9,968	3	1,276
Kanoon Magnet	707	7,366	—	1,151
Keller Magnet	243	8,884	—	1,270
Kellman	294	8,662	3	999
Kellogg	301	10,333	95	969
Kershaw	240	12,336	11	2,233
Key	318	9,502	64	1,351
Kilmer	862	7,199	1	1,117
King EL	295	9,815	11	1,333
Kinzie	720	10,014	90	478
Kipling	452	9,031	136	960
KIPP Ascend Chrtr	430	8,479	14	1,058
Kohn	448	9,662	446	1,447
Kozminski	447	8,251	7	1,231
Kwame Nkrumah	152	8,488	18	780
Lafayette	497	11,537	103	1,143
Lara	559	7,127	19	1,178
LaSalle	576	7,658	49	152
Lasalle II	486	9,999	77	358
Lathrop	116	14,567	2,679	2,302
Lavizzo	433	7,583	84	1,181
Lawndale	548	8,591	3,643	1,321
Lawrence	403	9,005	7	1,338
Learn Charter ES — Butler	579	7,988	—	1,116
Learn Charter ES — Excel	295	8,455	—	1,020
Learn Charter ES — South Chicago	159	9,838	—	1,109
Learn Chrtr — North Lawndale	328	8,274	—	985
Lee	855	8,205	3	1,340



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$1,093	\$1,187
Legacy Charter	442	8,003	—	911
Leland	183	12,520	69	1,059
Lenart	325	7,871	187	1,150
Lewis	629	7,561	972	1,131
Libby	537	8,803	254	1,516
Lincoln	741	6,511	209	401
Linne	621	8,161	8	1,134
Little Village	795	6,938	51	1,236
Lloyd	1,296	6,584	62	1,107
Locke, A. Charter	581	7,018	2	891
Locke, J	1,299	6,728	46	927
Logandale Mid	254	9,943	—	1,491
Lorca	716	5,766	7,417	795
Lovett	467	7,984	117	1,020
Lowell	598	9,596	5	1,533
Lozano Bilingual	335	11,469	7,405	1,281
Lyon	1,353	6,426	2	1,164
Madero Mid	310	10,761	247	1,555
Madison	296	9,672	3,936	1,777
Manierre	458	10,063	1,450	3,118
Mann	540	8,297	17	1,171
Marconi	233	9,698	469	1,406
Marquette	1,435	7,507	1	1,056
Marsh	866	7,804	6	1,335
Marshall Mid	548	9,299	26	1,741
Mason	519	10,189	1,940	1,275
May	501	8,946	2,549	1,345
Mayer	595	9,528	161	1,072
Mayo	430	8,757	174	1,280
Mays	309	9,332	1,969	2,030
McAuliffe	805	6,987	95	1,272
McClellan	274	12,118	3	1,872
McCormick	895	7,626	14	1,094
McCutcheon	341	9,797	3	1,301
McDade Classical	199	9,183	13	2,285
McDowell	166	12,557	115	1,104
McKay	969	8,067	14	1,130
McNair	496	9,671	6	1,273
McPherson	682	9,295	1	974
Melody	335	9,225	45	1,256
Metcalfe	586	8,023	331	1,715



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$ 1,093	\$1,187
Mireles	950	7,039	27	1,035
Mitchell	328	8,797	304	1,231
Mollison	258	9,044	2,035	1,086
Monroe	1,112	7,099	155	1,227
Montefiore	37	69,193	9,177	1,583
Moos	487	9,047	82	1,152
Morgan	244	14,069	32	1,341
Morrill	796	8,087	786	1,452
Morton	317	8,953	422	1,045
Mozart	810	6,908	1	1,186
Mt Greenwood	837	5,907	6,538	213
Mt Vernon	317	10,976	960	945
Murphy	569	7,894	471	761
Murray	520	8,274	51	315
Namaste Charter	424	8,955	—	1,112
Nash	441	8,691	339	1,316
Natl Teachers Acad	422	8,675	191	808
Neil	343	16,811	1,034	1,248
Nettelhorst	692	7,479	10	221
New Field	689	7,896	9	1,191
Newberry Magnet	556	7,975	6	428
Nicholson	474	9,103	486	1,345
Nightingale	1,309	7,192	1,067	1,281
Ninos Heroes	491	8,298	54	1,379
Nixon	1,039	6,105	47	1,060
Nobel	808	6,872	1	1,297
North River	287	10,235	—	908
Northwest Mid	816	7,420	137	1,388
Norwood Park	371	9,703	244	107
Nr North SPED Ctr	100	36,434	—	1,180
Ogden	463	18,338	75,011	1,645
Oglesby	409	9,973	109	2,155
O’Keeffe	651	6,875	1	1,019
Onahan	642	6,685	366	201
Oriole Park	654	7,072	1	135
Orozco	634	8,232	3	1,635
Ortiz De Dominguez	777	7,155	1,686	1,040
Otis	438	11,972	2	1,163
O’Toole	560	8,552	5,404	1,508
Overton	423	8,751	7	3,047
Owen	243	10,061	36	1,957



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$ 1,093	\$1,187
Owens	303	11,231	—	2,052
Paderewski	134	15,342	11,757	1,492
Palmer	930	6,620	224	803
Park Manor	338	9,738	151	1,554
Parker	758	8,109	489	1,904
Parkman	202	11,996	1,584	1,919
Parkside	341	9,560	8	1,189
Passages Chrtr	382	7,989	2	853
Pasteur	1,175	7,501	302	1,324
Peabody	256	9,273	4	1,048
Peck	1,567	6,039	1,599	1,115
Peirce	907	7,262	10	1,028
Penn	418	10,061	23	862
Perez	438	9,015	4	1,178
Pershing West	269	10,442	560	983
Pershing, J. Magnet	230	9,053	—	1,502
Perspectives Chrtr — Calumet MS	384	8,414	—	1,028
Peterson	878	6,918	590	966
Piccolo	587	8,031	44	1,098
Pickard	665	7,928	1	1,303
Pilsen	437	9,383	44	825
Pirie	412	9,189	2	1,677
Plamondon	161	11,044	17	1,317
Plato	325	8,422	—	1,188
Poe Classical	192	9,794	7,831	2,530
Polaris Charter Acad	288	8,832	932	1,009
Pope	173	12,648	5	1,558
Portage Park	1,081	7,699	3	1,004
Powell	534	8,214	22,392	1,465
Prescott	205	9,024	16	847
Price	144	13,491	6	1,723
Prieto	944	6,322	377	1,025
Pritzker	626	7,382	1,857	1,023
Providence-Englewood Chrtr — Bunche	394	7,090	—	761
Prussing	666	7,365	240	832
Pulaski	830	6,998	2,400	1,300
Pullman	259	10,371	33	1,298
Randolph	608	7,404	2,185	1,405
Ravenswood	472	8,829	7	996
Ray	640	8,548	161	281
Reavis	323	9,457	231	1,460



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$ 1,093	\$1,187
Reed	107	14,971	18,580	3,887
Reilly	1,204	7,461	1,506	1,464
Reinberg	833	10,291	1,338	1,583
Revere	355	8,266	3	1,461
Robinson	178	11,068	259	1,816
Rogers	748	7,066	1,272	845
Roque De Duprey	86	18,834	11	3,037
Ross	335	9,994	12	1,130
Rowe	256	9,413	—	836
Rudolph Lrng Ctr	90	44,163	—	801
Ruggles	401	8,195	2	1,260
Ruiz	927	7,225	7	1,278
Ryder	306	11,480	9	1,108
Ryerson	463	8,270	1,722	1,479
Sabin Magnet	597	7,713	425	926
Salazar Bilingual	438	7,134	7	778
Sandoval	1,199	6,192	17	931
Saucedo	1,332	6,880	139	1,052
Sauganash	550	7,167	17,316	107
Sawyer	2,004	6,160	18	1,268
Sayre	606	6,953	74	866
Scammon	921	6,613	12	1,238
Schmid	208	11,026	18	902
Schneider	73	19,096	32,020	3,486
Schubert	989	6,939	1,072	1,304
Seward	872	6,435	1,287	1,154
Sexton	376	9,160	6,588	1,213
Shabazz Charter	320	8,464	—	1,169
Shabazz Chrtr — Sizmore	284	7,898	—	1,206
Sheridan Magnet	536	7,373	—	551
Sherman	450	8,668	9	1,317
Sherwood	379	8,947	2	1,301
Shields	1,828	6,755	57	1,251
Shoesmith	344	8,322	17	1,196
Shoop	584	8,589	319	1,343
Skinner	728	8,104	390	736
Skinner North	167	9,994	2,131	1,485
Smith, W.	362	9,936	22	1,502
Smyser	1,012	6,541	1	768
Smyth, J.	575	11,394	155	2,128
Solomon	373	10,717	2	392



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$1,093	\$1,187
Songhai	368	9,754	36	1,536
South Loop	690	7,096	3	358
South Shore Fine Art	201	9,277	274	769
Spencer	786	7,831	61	1,363
Spry	811	7,424	1	1,252
Stagg	565	7,694	9	1,135
Stevenson	1,335	7,131	508	1,047
Stewart	304	12,057	13	2,226
Stock	270	13,395	—	16
Stockton	519	9,585	689	897
Stone	635	8,239	—	1,196
Stowe	923	8,111	588	958
Suder Montessori	308	9,753	8,125	690
Sullivan	558	8,731	2	944
Sumner	443	8,794	734	1,293
Sutherland	776	6,782	2,384	228
Swift	697	7,567	107	862
Talcott	549	9,405	2	981
Talman	376	7,467	—	848
Tanner	454	9,676	18	1,520
Tarkington	1,049	7,264	7	1,144
Taylor	668	7,438	13	1,207
Telpochcalli	253	11,028	39	1,334
Thorp, J. N.	487	11,339	4,701	1,515
Thorp, O. A.	834	6,504	86	1,030
Tilton	355	9,507	2,930	1,069
Tonti	937	7,185	5	1,316
Trumbull	469	10,191	122	1,054
Turner-Drew	395	8,797	14	773
Twain	1,129	6,498	229	943
U Of C Chrtr — Donoghue	431	8,015	6	1,068
U Of C Chrtr — Nth Kenwood	337	7,632	—	1,067
U of C Chrtr — Woodson South	402	7,769	64	891
UNO Charter — Fuentes	557	8,332	—	950
UNO Charter — Gage Park	550	9,268	—	1,002
UNO Charter — Las Casas	286	9,517	—	1,085
UNO Charter — Marquez	576	8,817	—	1,264
UNO Charter — Paz	437	8,897	74	1,285
UNO Charter — Tamayo	287	9,071	—	1,054
UNO Charter — Zizumbo	639	8,286	—	1,009
UNO Charter School — Torres	640	8,545	—	1,039



General Information for Elementary Schools

Unit Name	Student Memb	Per Pupil Regular Exp	Per Pupil Capital Exp	Per Pupil Suppl Exp
Average for Elementary Schools	544	\$ 9,339	\$ 1,093	\$1,187
Vanderpoel Magnet	322	8,314	57	1,461
Velma Thomas EC Ctr	208	10,102	—	195
Vick EC Ctr	235	11,853	25	95
Volta	985	6,873	7	1,117
Von Humboldt	461	9,669	11	2,606
Wacker	247	8,699	38	1,142
Wadsworth	305	8,956	15	1,006
Walsh	484	8,023	1,103	1,103
Ward, J.	444	9,297	2	1,044
Ward, L.	441	7,690	30	1,240
Warren	325	8,402	3,180	1,037
Washington, G.	784	7,619	53	861
Washington, H.	557	8,838	318	1,216
Waters	551	7,396	1,292	631
Webster	373	10,292	28	3,699
Wells Prep	205	8,579	—	898
Wentworth	362	9,237	44	1,261
West Park	713	7,396	13	1,405
West Pullman	352	9,198	48	1,058
West Ridge	564	5,580	18,051	387
Westcott	469	8,553	13	1,582
Whistler	409	9,914	2	1,178
White	129	12,558	7	1,424
Whitney	1,114	7,026	102	1,155
Whittier	414	8,521	4,403	1,024
Wildwood	411	9,706	136	1,201
Williams Middle	114	14,734	—	1,140
Williams Multiplex	254	11,552	750	854
Woodlawn	235	8,693	7	1,030
Woods	436	8,364	18	1,521
Woodson South	398	10,911	1,200	1,845
Yale	216	12,174	1,547	1,576
Yates	711	10,054	1,211	1,265
Young	1,210	7,555	755	1,495
Zapata	961	6,971	1	1,164



Statutory Reporting Section



**Independent Auditor's Report on Internal Control Over Financial Reporting
And on Compliance and Other Matters Based on an Audit
Of Financial Statements Performed in Accordance with
Government Auditing Standards**

To the Board of Education of the City of Chicago
Chicago Public Schools
Chicago, Illinois

We have audited the financial statements of the governmental activities and each major fund of the Chicago Public Schools (Board of Education of the City of Chicago, the "CPS", a body politic and corporate of the State of Illinois) as of and for the year ended June 30, 2011, which collectively comprise CPS' basic financial statements and have issued our report thereon dated December 9, 2011. Our report was modified to include an emphasis of matter paragraph regarding the adoption of reporting and disclosure requirements of Governmental Accounting Standards Board Statement No. 54. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of CPS is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered CPS' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CPS' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of CPS' internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of CPS' financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CPS' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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We noted certain matters that we reported to management of CPS in a separate letter dated December 9, 2011.

This report is intended solely for the information and use of the Audit Committee, the Board of Education, management, the U.S. Department of Education, the Illinois State Board of Education, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Chicago, Illinois
December 9, 2011



Statutory Reporting Section



Independent Auditor's Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance In Accordance With OMB Circular A-133

To the Board of Education of the City of Chicago
Chicago Public Schools
Chicago, Illinois

Compliance

We have audited the compliance of Chicago Public Schools (Board of Education of the City of Chicago, the "CPS", a body politic and corporate of the State of Illinois) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could have a direct and material effect on each of CPS' major federal programs for the year ended June 30, 2011. CPS' major federal programs are identified in the summary of auditor's results section of the accompanying *Schedule of Findings and Questioned Costs*. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of CPS' management. Our responsibility is to express an opinion on CPS' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CPS' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on CPS' compliance with those requirements.

In our opinion, CPS complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying *Schedule of Findings and Questioned Costs* as items SA11-01, SA11-02, and SA11-03.

Internal Control Over Compliance

Management of CPS is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered CPS' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CPS' internal control over compliance.

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A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

CPS' responses to the findings identified in our audit are described in the accompanying *Schedule of Findings and Questioned Costs*. We did not audit CPS' responses and, accordingly, we express no opinion on the responses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities and each major fund of the CPS as of and for the year ended June 30, 2011, and have issued our report thereon dated December 9, 2011. Our report included an emphasis of a matter paragraph relative to the adoption of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise CPS' basic financial statements. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2011, is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of State and Local Governments and Nonprofit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, CPS' basic financial statements for the year ended June 30, 2010, which are not presented with the accompanying financial statements. In our report dated December 10, 2010, we expressed unqualified opinions on the respective financial statements of the governmental activities and each major fund. In our opinion, the accompanying schedule of expenditures of federal awards for the year ended June 30, 2010, is fairly stated, in all material respects, in relation to the basic financial statements for the year ended June 30, 2010, taken as a whole.

This report is intended solely for the information and use of the Audit Committee, the Board of Education, management, the U.S. Department of Education, the Illinois State Board of Education, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Chicago, Illinois
December 9, 2011



Statutory Reporting Section

**BOARD OF EDUCATION OF THE CITY OF CHICAGO
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended June 30, 2011

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
U.S. DEPARTMENT OF EDUCATION					
Direct Funding					
Impact Aid	Federal Impact Aid Grant	N/A	84.041	23-IL-2008-1711	07/01/10-06/30/11
Indian Education — Grants to Local Education Agencies	Indian Elementary/Secondary School Assistance Program	N/A	84.060A	S060A010666	07/01/09-06/30/10
		N/A	84.060A	S060A010666	07/01/10-06/30/11
Women's Educational Equity Program	Women's Educational Equity	N/A	84.083A	U083A090088	10/01/09-06/30/11
Magnet Schools Assistance	Magnet Schools Assistance Program	N/A	84.165A	U165A070070	10/01/07-06/30/11
Safe and Drug-Free Schools and Communities	SDFS Schools Readiness	N/A	84.184E	Q184E100196	09/01/10-06/30/11
	Healthy Students	N/A	84.184L	Q184L070255-01	09/01/07-06/30/11
	SDFS Project Serv School Emergency Response to Violence	N/A	84.184S	Q184S100003	10/28/09-12/01/10
Fund for the Improvement of Education	Elementary and Secondary School Counseling	N/A	84.215E	Q215E080384	07/01/08-06/30/11
	Carol White Physical Education Program	N/A	84.215F	Q215F070096	06/01/07-03/01/11
		N/A	84.215F	Q215F070003	06/01/09-05/31/10
	Professional Development for Chicago Public School Science Teachers	N/A	84.215K	U215K100172	07/30/10-06/30/11
	Senn High School Science Laboratory Improvements	N/A	84.215K	U215K090109	09/18/09-04/04/11
	Bobby Rush Earmark Grant	N/A	84.215K	U215K090073	09/01/09-08/31/10
	Smaller Learning Communities in CPS High School	N/A	84.215L	V215L032222	09/01/07-06/30/11
	Smaller Learning Communities	N/A	84.215L	S215L080581	07/10/08-06/30/11
	Smaller Learning Communities Cohort 10	N/A	84.215L	S215L100017	10/10/10-06/30/11
	Smaller Learning Communities in CPS High School - Oval	N/A	84.215L	S215L060071	10/01/07-06/30/11
Teaching American History Grant		N/A	84.215X	U215X060094	07/01/06-06/30/10
		N/A	84.215X	U215X070140	07/01/07-06/30/11
Foreign Language Assistance	Project Italic Integrative Technology in Arabic	N/A	84.293B	T293B090101	09/01/09-06/30/11
Advanced Placement Program	Advanced Placement Incentive Program	N/A	84.330C	S330C060067-01	10/01/06-09/30/10
		N/A	84.330C	S330C090185	07/01/09-06/30/11
Transition to Teaching	Teacher for Special Education (T-SPED) Project	N/A	84.350A	U350A070066	10/01/07-06/30/11
	Transition to Teaching BETP	N/A	84.350A	U350A090042	10/01/09-06/30/11
Arts in Education	Partnership For Arts Integration	N/A	84.351D	U351D060110	07/01/07-06/30/10
	ELE and SEC Arts in Education	N/A	84.351D	U351D090039	07/01/09-06/30/11
Early Reading First	Chicago Early Readers	N/A	84.359B	S359B050093	10/01/07-09/30/09
		N/A	84.359B	S359B090079	10/01/09-06/30/11
High School Initiative Program	Pathways to Accelerated Student Success (PASS)	N/A	84.360A	S360A100176	10/01/10-06/30/11
Chicago Comprehensive Choice Initiative	Voluntary School Choice Program	N/A	84.361A	U361A070036	08/01/07-06/30/11
School Leadership	Effective Leaders Improve Schools — Elis	N/A	84.363A	U363A080120	10/01/08-06/30/11
Improving Literacy Through School Libraries	The ABC's Library Literacy Program	N/A	84.364A	S364A070372-01	09/01/08-08/31/09
		N/A	84.364A	S364A090382	09/01/09-08/31/10
		N/A	84.364A	S364A090382	09/01/10-06/30/11
Striving Readers	Striving Readers Program	N/A	84.371A	S371A060097	03/01/08-02/28/10
		N/A	84.371A	S371A060097	03/01/10-02/28/11
Teacher Incentive Fund	Teachers Incentive Fund Program	N/A	84.374A	S374A070047-01	11/01/07-06/30/11
Teacher Incentive Fund, Recovery Act	Teachers Incentive Fund Program ARRA	N/A	84.385	S385A100166-01	10/01/09-06/30/11
		N/A	84.385	S374A070047-09A	10/01/10-06/30/11
Total U.S. Department of Education — Direct Funding					



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2010	Cash (Received) Refunded July 1, 2010 June 30, 2011	Revenue Recognized July 1, 2010 June 30, 2011	Expenditure July 1, 2010 June 30, 2011	Adjustments to Grant Revenue July 1, 2010 June 30, 2011	Accrued (Deferred) Grant Revenue June 30, 2011	Prior Years' Expenditures Through June 30, 2010	Final Status Cumulative Expenditures Through June 30, 2011
N/A	\$ —	\$ (119,447)	\$ 119,447	\$ 119,447	\$ —	\$ —	\$ —	\$ 119,447
129,843	19,613	(20,304)	691	691	—	—	124,847	125,538
149,043	—	(115,456)	138,496	138,496	—	23,040	—	138,496
213,437	4,928	(117,389)	135,169	135,169	—	22,708	7,402	142,571
10,288,693	291,682	(2,494,760)	2,133,961	2,133,961	—	(69,117)	8,085,615	10,219,576
599,870	—	(89,581)	120,917	120,917	—	31,336	—	120,917
8,865,569	268,759	(2,140,133)	2,113,998	2,113,998	—	242,624	4,288,506	6,402,504
500,000	137,460	(230,493)	136,995	136,995	—	43,962	345,790	482,785
1,197,318	39,638	(434,972)	480,801	480,801	—	85,467	650,153	1,130,954
1,207,343	(209,568)	(207,722)	417,290	417,290	—	—	450,107	867,397
1,347,448	66,898	(66,898)	—	—	—	—	1,347,448	1,347,448
300,000	—	—	150,000	150,000	—	150,000	—	150,000
381,000	196,769	(292,855)	96,086	96,086	—	—	278,949	375,035
190,000	106,502	(120,143)	13,641	13,641	—	—	151,818	165,459
4,162,965	475,327	(1,026,578)	698,389	698,389	—	147,138	3,464,576	4,162,965
5,186,222	237,701	(931,367)	820,014	820,014	—	126,348	1,838,261	2,658,275
2,266,005	—	(741,613)	938,437	938,437	—	196,824	—	938,437
4,150,192	190,938	(545,291)	354,353	354,353	—	—	3,795,839	4,150,192
1,705,755	110,914	(124,881)	13,968	13,968	—	1	1,309,053	1,323,021
1,557,815	71,044	(316,698)	267,064	267,064	—	21,410	1,285,135	1,552,199
504,765	—	(503,185)	504,765	504,765	—	1,580	—	504,765
2,851,267	21,255	(406,779)	385,524	385,524	—	—	2,419,186	2,804,710
950,739	34,426	(605,573)	693,198	693,198	—	122,051	143,785	836,983
2,279,140	3,043	(219,048)	493,671	493,671	—	277,666	1,236,238	1,729,909
229,365	5,071	(28,765)	106,241	106,241	—	82,547	15,214	121,455
1,084,077	441	(141,418)	140,977	140,977	—	—	937,895	1,078,872
455,060	196,252	(373,444)	258,640	258,640	—	81,448	196,420	455,060
1,694,078	69,116	—	—	—	—	69,116	1,691,484	1,691,484
4,044,066	154,247	(558,857)	470,539	470,539	—	65,929	366,631	837,170
2,928,547	—	(183,776)	330,430	330,430	—	146,654	—	330,430
11,729,261	424,659	(2,300,512)	2,262,772	2,262,772	—	386,919	6,612,549	8,875,321
6,857,362	533,233	(1,927,481)	2,129,060	2,129,060	—	734,812	1,565,768	3,694,828
478,621	36,477	(36,477)	—	—	—	—	478,621	478,621
498,034	140,927	(180,831)	45,265	45,265	—	5,361	439,529	484,794
—	—	(5,361)	—	—	—	(5,361)	—	—
5,418,165	(10,136)	—	10,136	10,136	—	—	3,739,797	3,749,933
5,959,091	290,426	(3,282,793)	3,344,499	3,344,499	—	352,132	1,225,420	4,569,919
17,578,367	1,054,415	(7,024,613)	6,821,560	6,821,560	—	851,362	10,756,807	17,578,367
8,146,293	(949,533)	(2,793,524)	3,121,264	3,121,264	—	(621,793)	3,839,407	6,960,671
16,836,824	—	(14,641)	219,995	219,995	—	205,354	—	219,995
\$134,921,640	\$4,012,924	\$(30,723,659)	\$30,488,253	\$30,488,253	\$ —	\$3,777,518	\$63,088,250	\$93,576,503



Statutory Reporting Section

Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
Passed Through Illinois Department of Human Services (IDHS)					
Rehabilitation Grants to States	Secondary Transitional Experience Program (STEP)	N/A	84.126A	40CL001797	07/01/09-06/30/10
Total U.S. Department of Education Passed Through IDHS					
Passed Through University of Illinois at Chicago					
Teacher Quality Partnership Grants	Increase Teacher Quality	N/A	84.336S	U336S090013	10/01/09-06/30/11
Total U.S. Department of Education Passed Through University of Illinois at Chicago					
Passed Through National Opinion Research Center					
Education Research, Development and Dissemination	Preventing Truancy in Urban Schools	N/A	84.305	R305A100706	01/01/11-06/30/11
Total U.S. Department of Education Passed Through National Opinion Research Center					
Passed Through Illinois Board of Higher Education					
Improve Teacher Quality State Grants	Developing Models and Tools for PD and Teachers — University of Chicago	N/A	84.367B	07NCLB10	05/01/09-09/30/10
	Developing 21st Century Critical Thinking Skills — St. Xavier University	N/A	84.367B	S367B090013	06/01/10-06/30/11
	Chicago Bilingual Summer Math Lab — Columbia University	N/A	84.367B	Agreement	02/05/10-06/30/11
Total U.S. Department of Education Passed Through Illinois Board of Higher Education					
Passed Through Public Broadcasting Service					
Ready to Learn Project	Ready to Learn Project	N/A	84.295A	U295A100025	03/14/11-06/30/11
Total U.S. Department of Education Passed Through Public Broadcasting Service					
Passed Through Northeastern Illinois University					
Gaining Early Awareness and Readiness for Undergraduate Program	Gear — Up Grant/(NEIU)	N/A	84.334A	PO#44449	09/01/09-08/31/10
	Gear — Up Grant/(NEIU)	N/A	84.334A	PO#44449	09/01/10-06/30/11
	Gear — Up-Hancock High School/(NEIU)	N/A	84.334A	PO#6537	06/30/10-08/31/10
	Gear — Up-Kelly High School/(NEIU)	N/A	84.334A	PO#6520	06/01/10-08/31/10
	Gear — Up-Wells High School/(NEIU)	N/A	84.334A	PO#6305	06/30/10-08/31/10
	Gear — Up-Wells High School/(NEIU)	N/A	84.334A	PO#017869	06/20/11-06/30/11
	Gear — Up-Curie High School/(NEIU)	N/A	84.334A	PO#11545	06/30/10-08/31/10
	Gear — Up-Curie High School/(NEIU)	N/A	84.334A	PO#017886	06/20/11-06/30/11
	Gear — Up Grant-Transition Program	N/A	84.334A	PO#3566	05/15/08-08/15/08
Twenty-First Century Community Learning Centers	21st Century — Saucedo	N/A	84.287	PO#11121	11/01/09-06/15/10
		N/A	84.287	PO#15626	10/01/10-05/31/11
	21st Century — Curie	N/A	84.287	PO#10611	10/01/09-05/30/10
		N/A	84.287	PO#15625	10/01/10-05/31/11
Total U.S. Department of Education Passed Through Northeastern Illinois University					
Passed Through Mexican Fine Arts Museum					
Twenty-First Century Community Learning Centers	21st Century Mexican Fine Arts Museum	N/A	84.287	DISTRICT 201	07/01/09-06/30/10
		N/A	84.287	DISTRICT 201	07/01/10-06/30/11
Total U.S. Department of Education Passed Through Mexican Fine Arts Museum					
Passed Through Illinois State Board of Education					
Improving Teacher Quality State Grants	Class Size Reduction (NCLB)	4932	84.367A	10-4932-00	07/01/09-08/31/10
	Title IIA — Teacher Quality	4932	84.367A	11-4932-00	07/01/10-06/30/11
Career and Technical Education — Basic Grants to States	V.E. — Perkins — Title IIC — Secondary	4745	84.048A	10-4745-00	07/01/09-08/31/10
		4745	84.048A	11-4745-00	07/01/10-06/30/11
	V.E. — Perkins — State Leadership — Clemente	4720	84.048A	10-4720-00	08/01/09-07/31/10
	Perkins Leadership High Schools that Work	4720	84.048A	11-4720-00	08/01/10-06/30/11
	V.E. — Perkins — State Leadership — Chgo Agricultural	4720	84.048A	10-4720-01	08/01/09-07/31/10
	V.E. — Perkins — State Leadership — Marshall	4720	84.048A	10-4720-02	07/01/09-06/30/10
	V.E. — Perkins — State Leadership — Corliss	4720	84.048A	09-4720-03	08/01/08-07/31/09
		4720	84.048A	10-4720-03	08/01/09-07/31/10



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2010	Cash (Received) Refunded July 1, 2010 June 30, 2011	Revenue Recognized July 1, 2010 June 30, 2011	Expenditure July 1, 2010 June 30, 2011	Adjustments to Grant Revenue July 1, 2010 June 30, 2011	Accrued (Deferred) Grant Revenue June 30, 2011	Prior Years' Expenditures Through June 30, 2010	Final Status Cumulative Expenditures Through June 30, 2011
\$ 775,498	\$ 197,401	\$ (228,870)	\$ 31,469	\$ 31,469	\$ —	\$ —	\$ 695,888	\$ 727,357
\$ 775,498	\$ 197,401	\$ (228,870)	\$ 31,469	\$ 31,469	\$ —	\$ —	\$ 695,888	\$ 727,357
\$ 101,595	\$ 35,063	\$ (35,138)	\$ —	\$ —	\$ —	\$ (75)	\$ 35,063	\$ 35,063
\$ 101,595	\$ 35,063	\$ (35,138)	\$ —	\$ —	\$ —	\$ (75)	\$ 35,063	\$ 35,063
\$ 47,635	\$ —	\$ —	\$ 11,733	\$ 11,733	\$ —	\$ 11,733	\$ —	\$ 11,733
\$ 47,635	\$ —	\$ —	\$ 11,733	\$ 11,733	\$ —	\$ 11,733	\$ —	\$ 11,733
\$ 58,235	\$ 58,235	\$ (58,235)	\$ —	\$ —	\$ —	\$ —	\$ 58,235	\$ 58,235
532,500	—	—	22,747	22,747	—	22,747	—	22,747
15,000	—	—	15,000	15,000	—	15,000	—	15,000
\$ 125,735	\$ 58,235	\$ (58,235)	\$ 37,747	\$ 37,747	\$ —	\$ 37,747	\$ 58,235	\$ 95,982
\$ 142,000	\$ —	\$ —	\$ 50,000	\$ 50,000	\$ —	\$ 50,000	\$ —	\$ 50,000
\$ 142,000	\$ —	\$ —	\$ 50,000	\$ 50,000	\$ —	\$ 50,000	\$ —	\$ 50,000
\$ 1,389,033	\$ 1,046,723	\$ (1,193,589)	\$ 146,866	\$ 146,866	\$ —	\$ —	\$ 1,046,723	\$ 1,193,589
1,361,602	—	(636,042)	1,125,120	1,125,120	—	489,078	—	1,125,120
15,066	—	(12,993)	12,993	12,993	—	—	—	12,993
20,170	—	(17,560)	17,560	17,560	—	—	—	17,560
15,066	—	(6,688)	6,688	6,688	—	—	—	6,688
12,236	—	—	10,973	10,973	—	10,973	—	10,973
4,383	—	(649)	649	649	—	—	—	649
12,236	—	—	971	971	—	971	—	971
253,097	186,489	—	—	—	—	186,489	186,489	186,489
31,889	31,707	(31,707)	—	—	—	—	31,707	31,707
30,165	—	(24,856)	28,676	28,676	—	3,820	—	28,676
35,548	21,694	(22,284)	295	295	—	(295)	35,548	35,843
32,383	—	(23,737)	31,788	31,788	—	8,051	—	31,788
\$ 3,212,874	\$ 1,286,613	\$ (1,970,105)	\$ 1,382,579	\$ 1,382,579	\$ —	\$ 699,087	\$ 1,300,467	\$ 2,683,046
\$ 15,000	\$ 13,992	\$ (15,000)	\$ 1,008	\$ 1,008	\$ —	\$ —	\$ 13,992	\$ 15,000
3,000	—	—	3,000	3,000	—	3,000	—	3,000
\$ 18,000	\$ 13,992	\$ (15,000)	\$ 4,008	\$ 4,008	\$ —	\$ 3,000	\$ 13,992	\$ 18,000
\$43,434,688	\$(7,216,484)	\$ (2,328,194)	\$ 9,544,678	\$ 9,544,678	\$ —	\$ —	\$29,959,479	\$39,504,157
55,507,292	—	(37,282,718)	36,410,024	36,410,024	—	(872,694)	—	36,410,024
8,246,886	(1,659,927)	(573,867)	2,233,794	2,233,794	—	—	6,013,092	8,246,886
7,974,040	—	(6,696,914)	5,761,631	5,761,631	—	(935,283)	—	5,761,631
10,000	(3,484)	3,484	—	—	—	—	5,116	5,116
10,000	—	(2,604)	594	594	—	(2,010)	—	594
10,000	(3,453)	(500)	3,953	3,953	—	—	5,354	9,307
N/A	(2,871)	2,871	—	—	—	—	—	—
15,000	—	10	(10)	(10)	—	—	—	(10)
10,000	(4,137)	1,028	3,109	3,109	—	—	4,365	7,474



Statutory Reporting Section

Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>	
Reading First State Grants	Title 1 — Reading First 11	4334	84.357	10-4334-07	09/01/09-08/31/10	
	Reading First — School Assistance Part B	4337	84.357	10-4337-00	07/01/09-08/31/10	
Title I Grants to Local Education Agencies	Title I — Low Income	4300	84.010A	09-4300-00	07/01/08-08/31/09	
		4300	84.010A	10-4300-00	07/01/09-08/31/10	
		4300	84.010A	11-4300-00	07/01/10-06/30/11	
	ESEA — School Improvement	4331	84.010A	10-4331-SS	07/05/09-08/26/10	
		4331	84.010A	11-4331-SS	07/05/10-06/30/11	
	ESEA — Title I — Low Income — Neglected Private	4305	84.010A	10-4305-00	07/01/09-08/31/10	
		4305	84.010A	11-4305-00	07/01/10-06/30/11	
	ESEA — Title I — Low Income — Delinquent Private	4306	84.010A	10-4306-00	07/01/09-08/31/10	
4306		84.010A	11-4306-00	07/01/10-06/30/11		
Special Education — Preschool Grants	IDEA — Pre-School Flow Through	4600	84.173A	10-4600-00	07/01/09-08/31/10	
		4600	84.173A	11-4600-00	07/01/10-06/30/11	
	IDEA — Pre-School Discretionary	4605	84.173A	10-4605-01	07/01/09-06/30/10	
		4605	84.173A	11-4605-01	07/01/10-06/30/11	
Special Education Grants to State	IDEA — Flow Through/Low Incidence	4620	84.027	09-4620-00	07/01/08-08/31/09	
		4620	84.027	10-4620-00	07/01/09-08/31/10	
		4620	84.027	11-4620-00	07/01/10-06/30/11	
	Room and Board	4625	84.027	11-4625-00	09/01/08-06/30/11	
	IDEA — Discretionary — Corey H Training Tech	4630	84.027A	10-4630-04	07/01/09-06/30/10	
		4630	84.027A	11-4630-04	07/01/10-06/30/11	
	IDEA — Parent Mentor	4630	84.027A	10-4630-05	07/01/09-06/30/10	
		4630	84.027A	11-4630-05	07/01/10-06/30/11	
	Special Education — State Personnel Development	IDEA — Regional Professional Development Center	4631	84.323A	10-4631-RC	10/01/09-09/30/10
			4631	84.323A	11-4631-RC	11/01/10-06/30/11
Twenty-First Century Community Learning Centers	Title IV — 21st Century Comm Learning Centers — Gear Up	4421	84.287C	10-4421-01	07/01/09-08/31/10	
		4421	84.287C	11-4421-01	07/01/10-06/30/11	
		4421	84.287C	10-4421-02	07/01/09-08/31/10	
		4421	84.287C	11-4421-02	07/01/10-06/30/11	
		4421	84.287C	10-4421-07	07/01/09-08/31/10	
		4421	84.287C	11-4421-07	07/01/10-06/30/11	
		4421	84.287C	10-4421-08	07/01/09-08/31/10	
		4421	84.287C	11-4421-08	07/01/10-06/30/11	
Safe and Drug-Free Schools and Communities State Grants	Title IV — Safe & Drug-Free School Formula	4400	84.186A	10-4400-00	07/01/09-08/31/10	
		4400	84.186A	10-4400-00	07/10/10-08/31/11	
Education for Homeless Children and Youth	McKinney Education for Homeless Children	4920	84.196A	10-4920-00	07/01/09-09/30/10	
		4920	84.196A	11-4920-00	07/01/10-06/30/11	
English Language Acquisition Grants	Title III — Lang Inst Prog — Limited Eng LIPLEP	4909	84.365A	10-4909-00	09/01/09-08/31/10	
		4909	84.365A	11-4909-00	09/01/10-06/30/11	
	International Baccalaureate	N/A	84.365A	N/A	07/01/10-06/30/11	
	Education Technology State Grants	Technology — Enhancing Education — Formula	4971	84.318X	10-4971-00	07/01/09-08/31/10
4971			84.318X	11-4971-00	07/01/10-06/30/11	
Advanced Placement Program	Advanced Placement Program	4999	84.365A	09-4999-1B	07/01/08-06/30/09	



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2010	Cash (Received) Refunded July 1, 2010 June 30, 2011	Revenue Recognized July 1, 2010 June 30, 2011	Expenditure July 1, 2010 June 30, 2011	Adjustments to Grant Revenue July 1, 2010 June 30, 2011	Accrued (Deferred) Grant Revenue June 30, 2011	Prior Years' Expenditures Through June 30, 2010	Final Status Cumulative Expenditures Through June 30, 2011
8,900,887	1,807,624	(6,100,887)	4,293,263	4,293,263	—	—	4,607,624	8,900,887
660,481	252,642	(651,021)	398,379	398,379	—	—	262,102	660,481
353,145,200	—	81,545	(81,545)	(81,545)	—	—	334,449,222	334,367,677
303,461,562	17,241,203	(31,935,047)	14,693,844	14,693,844	—	—	281,593,216	296,287,060
326,428,833	—	(179,841,650)	278,076,283	278,076,283	—	98,234,633	—	278,076,283
9,200,000	111,094	(174,625)	63,531	63,531	—	—	8,615,996	8,679,527
9,400,775	—	(7,400,775)	8,307,665	8,307,665	—	906,890	—	8,307,665
803,600	3,773	(226,936)	223,163	223,163	—	—	580,437	803,600
544,111	—	(673,176)	425,151	425,151	—	(248,025)	—	425,151
738,833	(177,878)	(3,514)	181,392	181,392	—	—	521,029	702,421
726,077	—	(817,330)	726,077	726,077	—	(91,253)	—	726,077
1,251,218	(21,332)	(113,668)	135,000	135,000	—	—	1,092,577	1,227,577
1,250,419	—	(563,781)	844,118	844,118	—	280,337	—	844,118
489,250	(22,014)	13,161	8,853	8,853	—	—	467,236	476,089
489,250	—	(464,698)	465,811	465,811	—	1,113	—	465,811
89,590,388	—	40,863	(40,863)	(40,863)	—	—	89,161,697	89,120,834
96,011,080	(3,622,547)	3,118,486	504,061	504,061	—	—	92,256,750	92,760,811
100,266,108	—	(54,659,596)	94,061,764	94,061,764	—	39,402,168	—	94,061,764
N/A	—	(1,885,758)	1,949,546	1,949,546	—	63,788	—	1,949,546
2,750,000	(1,201,418)	1,198,174	3,244	3,244	—	—	165,731	168,975
2,750,000	—	145,184	55,707	55,707	—	200,891	—	55,707
60,000	(1,552)	—	1,552	1,552	—	—	58,448	60,000
60,000	—	(39,000)	34,594	34,594	—	(4,406)	—	34,594
453,000	(153,486)	19,246	134,240	134,240	—	—	183,713	317,953
239,798	—	(107,123)	48,118	48,118	—	(59,005)	—	48,118
1,350,000	(354,061)	154,970	199,091	199,091	—	—	707,300	906,391
1,350,000	—	(838,274)	479,551	479,551	—	(358,723)	—	479,551
2,604,700	(281,037)	103,044	177,993	177,993	—	—	2,073,663	2,251,656
2,604,700	—	(2,166,188)	1,991,406	1,991,406	—	(174,782)	—	1,991,406
1,112,800	64,442	(131,470)	67,028	67,028	—	—	974,442	1,041,470
927,300	—	(877,300)	718,984	718,984	—	(158,316)	—	718,984
2,562,500	(609,681)	152,974	456,707	456,707	—	—	1,716,864	2,173,571
2,306,300	—	(1,842,783)	1,644,284	1,644,284	—	(198,499)	—	1,644,284
3,681,743	(1,100,965)	674,577	426,388	426,388	—	—	2,359,870	2,786,258
895,785	—	(785,029)	861,766	861,766	—	76,737	—	861,766
824,450	—	(2,654)	2,654	2,654	—	—	804,450	807,104
824,450	—	(804,450)	800,000	800,000	—	(4,450)	—	800,000
9,681,423	(1,763,733)	422,780	1,340,953	1,340,953	—	—	7,406,650	8,747,603
7,974,040	—	(10,078,151)	7,715,178	7,715,178	—	(2,362,973)	—	7,715,178
—	—	(58,092)	58,092	58,092	—	—	—	58,092
2,674,227	(540,918)	(340,619)	881,537	881,537	—	—	1,426,618	2,308,155
1,236,656	—	(429,847)	925,221	925,221	—	495,374	—	925,221
435,584	(217,642)	—	217,642	217,642	—	—	—	217,642



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Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
School Improvement Grants	School Improvement Grant — Harper	4339	84.377A	10-4339-90	07/01/09-09/30/10
	School Improvement Grant — Fulton	4339	84.377A	10-4339-91	07/01/09-09/30/10
	School Improvement Grant — Fenger	4339	84.377A	10-4339-01	07/01/09-09/30/10
	School Improvement Grant — Julian	4339	84.377A	10-4339-02	07/01/09-09/30/10
	School Improvement Grant — Jackson	4339	84.377A	10-4339-03	07/01/09-09/30/10
	School Improvement Grant — Brunson	4339	84.377A	10-4339-04	07/01/09-09/30/10
	School Improvement Grant — Earle	4339	84.377A	10-4339-05	07/01/09-09/30/10
	School Improvement Grant — Yale	4339	84.377A	10-4339-06	07/01/09-09/30/10
	School Improvement Grant — Copernicus	4339	84.377A	10-4339-07	07/01/09-09/30/10
School Improvement Grants, Recovery Act	School Improvement Grant — Youth Connections	4339	84.377A	10-4339-08	07/01/09-08/30/10
	School Improvement Grant — Fenger	4855	84.388	11-4885-11	07/01/10-06/30/11
	School Improvement Grant — Marshall	4855	84.388	11-4885-11	07/01/10-06/30/11
	School Improvement Grant — District	4855	84.388	11-4885-11	07/01/10-06/30/11
	School Improvement Grant — Phillips	4855	84.388	11-4885-11	07/01/10-06/30/11
Education for Homeless Children and Youth, Recovery Act	McKinney Vento Education for Homeless ARRA	4862	84.387A	10-4862-00	07/01/09-06/30/11
	McKinney Vento Education for Homeless ARRA	4862	84.387A	10-4862-00	07/01/09-06/30/11
Title I Grants to Local Education Agencies, Recovery Act	Title I — Public Instruction & Support Services ARRA	4851 4851	84.389A 84.389A	10-4851-00 11-4851-00	09/02/09-08/31/10 08/16/10-09/30/11
	Title I — Part D Neglected Program ARRA	4852	84.389A	10-4852-00 11-4852-00	07/01/09-08/31/10 10/28/10-08/31/11
	Title I — Part D Delinquent Programs ARRA	4853	84.389A	10-4853-00	07/01/09-08/31/11
Special Education Grants to States, Recovery Act	Federal Special Education IDEA Flow Through ARRA	4857	84.391A	10-4857-00	07/01/09-08/31/11
	Federal Special Education IDEA Flow Through ARRA	4857	84.391A	11-4857-00	08/16/10-09/30/11
Special Education — Preschool Grants, Recovery Act	Preschool Incentive Grant ARRA	4856 4856	84.392A 84.392A	10-4856-00 11-4856-00	09/02/09-06/30/10 08/16/10-09/30/11
	Preschool Incentive Grant ARRA	4856	84.392A	11-4856-00	08/16/10-09/30/11
Education Jobs Fund	Early Childhood ARRA	4875	84.397A	10-4875-00	07/01/09-06/30/10
	Education Jobs Fund Reduced Class Size	4880	84.410	11-4880-00	08/10/10-06/30/11
Total U.S. Department of Education Passed Through Illinois State Board of Education					
TOTAL U.S. DEPARTMENT OF EDUCATION					
NATIONAL SECURITY AGENCY					
Direct Funding					
Mathematical Science Grants Program	Startalk Arabic Language Institute	N/A	12.901	H98230-10-1-0003	04/02/10-02/28/11
		N/A	12.901	H98230-11-1-0034	04/12/11-06/30/11
	Startalk Chinese Language Institute	N/A	12.901	H98230-10-1-0002	04/02/10-02/28/11
		N/A	12.901	H98230-11-1-0033	04/12/11-06/30/11
Language Grant Program	Startalk Urdu Language Camp	N/A	12.900	H98230-11-1-0078	04/18/11-06/30/11
TOTAL NATIONAL SECURITY AGENCY					
U. S. DEPARTMENT OF STATE					
Direct Funding					
Professional and Cultural Exchange Programs — Citizen Exchanges	Summer Language Institute for American Youth	N/A	19.415	S-ECAPY-09-CA-171-(KF)	04/30/09-12/31/10
		N/A	19.415	S-ECAPY-09-CA-171-(KF)	03/04/11-06/30/11
TOTAL U.S. DEPARTMENT OF STATE					
U.S. DEPARTMENT OF AGRICULTURE					
Passed Through Illinois State Board of Education (ISBE)					
National School Lunch Program	Lunch Program	4210	10.555	10-4210-00	09/01/09-09/30/10 10/01/10-09/30/11
School Breakfast Program	Breakfast Program	4220	10.553	10-4220-00	09/01/09-09/30/10 10/01/10-09/30/11



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2010	Cash (Received) Refunded July 1, 2010 June 30, 2011	Revenue Recognized July 1, 2010 June 30, 2011	Expenditure July 1, 2010 June 30, 2011	Adjustment to Grant Revenue July 1, 2010 June 30, 2011	Accrued (Deferred) Grant Revenue June 30, 2011	Prior Years' Expenditures Through June 30, 2010	Final Status Cumulative Expenditures Through June 30, 2011
285,000	(87,931)	(20,136)	108,067	108,067	—	—	165,403	273,470
345,000	(47,858)	(33,261)	81,119	81,119	—	—	253,142	334,261
905,000	(232,776)	(42,000)	704,776	704,776	—	430,000	200,224	905,000
475,000	(55,414)	(92,233)	147,647	147,647	—	—	313,322	460,969
426,000	(194,079)	123,079	71,000	71,000	—	—	170,921	241,921
195,000	(69,487)	21,236	48,251	48,251	—	—	114,081	162,332
426,000	(158,468)	82,648	75,820	75,820	—	—	197,532	273,352
426,000	(75,975)	37,290	38,685	38,685	—	—	300,025	338,710
475,000	(177,671)	27,185	150,486	150,486	—	—	234,329	384,815
475,000	(29,223)	(69,686)	98,909	98,909	—	—	367,756	466,665
1,850,419	—	(695,029)	1,270,806	1,270,806	—	575,777	—	1,270,806
1,951,135	—	(829,125)	1,575,333	1,575,333	—	746,208	—	1,575,333
414,859	—	(178,941)	287,250	287,250	—	108,309	—	287,250
1,797,370	—	(327,700)	997,435	997,435	—	669,735	—	997,435
1,981,872	—	(735,137)	1,431,464	1,431,464	—	696,327	—	1,431,464
1,276,200	70,425	(70,425)	153,585	153,585	—	153,585	1,122,615	1,276,200
132,135,264	20,079,715	(26,710,032)	6,630,317	6,630,317	—	—	71,367,715	77,998,032
190,097,831	—	(130,000,606)	168,044,336	168,044,336	—	38,043,730	—	168,044,336
584,446	(161,048)	122,348	38,700	38,700	—	—	256,142	294,842
289,604	—	(130,944)	185,274	185,274	—	54,330	—	185,274
331,549	(34,207)	(31,298)	62,684	62,684	—	(2,821)	263,090	325,774
57,502,674	13,220,110	(13,705,549)	485,439	485,439	—	—	50,891,451	51,376,890
63,628,459	—	(37,882,610)	62,368,060	62,368,060	—	24,485,450	—	62,368,060
2,156,343	291,748	(291,748)	—	—	—	—	1,759,555	1,759,555
2,443,183	—	(1,337,834)	2,443,183	2,443,183	—	1,105,349	—	2,443,183
111,997,901	17,857,445	(17,857,445)	—	—	—	—	111,997,901	111,997,901
104,444,486	—	(42,227,669)	57,678,955	57,678,955	—	15,451,286	—	57,678,955
\$2,147,252,029	\$50,717,464	\$(617,621,464)	\$783,612,777	\$783,612,777	\$ —	\$216,708,777	\$1,107,448,245	\$1,891,061,022
\$2,286,597,005	\$56,321,692	\$(650,652,471)	\$815,618,566	\$815,618,566	\$ —	\$221,287,787	\$1,172,640,140	\$1,988,258,706
\$ 99,904	\$ 4,914	\$ (99,888)	\$ 94,974	\$ 94,974	\$ —	\$ —	\$ 4,914	\$ 99,888
99,655	—	—	2,338	2,338	—	2,338	—	2,338
99,055	2,695	—	96,359	96,359	—	99,054	2,695	99,054
99,970	—	—	2,414	2,414	—	2,414	—	2,414
59,536	—	—	3,222	3,222	—	3,222	—	3,222
\$ 458,120	\$ 7,609	\$ (99,888)	\$ 199,307	\$ 199,307	\$ —	\$ 107,028	\$ 7,609	\$ 206,916
\$ 190,566	\$ —	\$ (184,964)	\$ 184,964	\$ 184,964	\$ —	\$ —	\$ —	\$ 184,964
180,247	—	—	63,918	63,918	—	63,918	—	63,918
\$ 370,813	\$ —	\$ (184,964)	\$ 248,882	\$ 248,882	\$ —	\$ 63,918	\$ —	\$ 248,882
N/A	\$21,507,506	\$ (37,726,944)	\$ 16,219,438	\$ 16,219,438	\$ —	\$ —	\$ 105,048,115	\$ 121,267,553
N/A	—	(91,807,521)	98,829,332	98,829,332	—	7,021,811	—	98,829,332
N/A	6,185,315	(10,866,206)	4,680,891	4,680,891	—	—	29,289,917	33,970,808
N/A	—	(27,216,639)	30,174,750	30,174,750	—	2,958,111	—	30,174,750



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Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
Child and Adult Care Food Program	Child & Adult Care Food Program	4226	10.558	11-4226-00	09/01/09-09/30/10 09/01/10-09/30/11
Fresh Fruit and Vegetable Program	Fresh Fruits and Vegetables	4240 4240 4240	10.582 10.582 10.582	10-4240-10 11-4240-10 11-4240-11	07/01/09-09/30/10 07/01/10-09/30/11 07/01/10-09/30/11
Food Donation Program	Food Donation Program * Noncash Awards	4228	10.558	N/A	07/01/10-06/30/11
Team Nutrition Grants	Healthier US Challenge	N/A	10.574	N/A	07/01/10-06/30/11
Total U.S. Department of Agriculture Passed Through Illinois State Board of Education					
Passed Through Northwestern Illinois Association					
Team Nutrition Grants	lInet Mini Grants	NA	10.574	N/A	09/01/10-05/31/11
Total U. S. Department of Agriculture Passed Through Northwestern Illinois Association					
Passed Through Illinois Department of Human Services					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Homeless Services and Supportive Housing — Refugee & Immigrant Services	N/A N/A	10.561 10.561	81X8116000-H 81X8116000-H	07/01/09-06/30/10 07/01/10-06/30/11
Total U.S. Department of Agriculture Passed Through Illinois Department of Human Services					
TOTAL U.S. DEPARTMENT OF AGRICULTURE					
HOUSING URBAN DEVELOPMENT					
Passed Through Chicago Housing Authority					
Economic Development Initiative — Special Project, Neighborhood Initiative and Miscellaneous Grants	U.S. Department of Housing and Urban Development	N/A	14.251	B-05-SP-IL-0793	03/15/07-06/30/11
Distressed Public Housing	Employability Plus	N/A N/A	14.866 14.866	AB-0809-001 AB-0809-001	07/01/09-06/30/11 07/01/10-06/30/11
TOTAL HOUSING URBAN DEVELOPMENT					
U.S. DEPARTMENT OF ENERGY					
Direct Funding					
State Energy, Recovery Act	Green Roofs Program ARRA — Ogden Green Roofs Program ARRA — Brown	N/A N/A	81.041 81.041	09-464014 09-464015	02/01/10-06/30/11 02/01/10-06/30/11
State Energy Program Special Projects	CPS School Laboratory Enhancement	N/A	81.049	DEFG0208ER67414	09/15/08-06/30/11
TOTAL U.S. DEPARTMENT OF ENERGY					
U.S. DEPARTMENT OF JUSTICE					
Direct Funding					
Public Safety Partnership and Community Policy Grants	DOJ — Secure Our Schools	N/A	16.710	2008-CK-WX-0661	09/01/08-06/30/11
Juvenile Justice and Delinquency Prevention — Allocation to States	OJJDP Academic After school Program Juvenile Justice and Delinquency Program	N/A N/A	16.540 16.540	2008JLFX0164 2009JLFX0229	07/01/08-11/30/10 08/01/09-06/30/11
Youth Gang Prevention	Comprehensive Anti-Gang Initiative — Hedges	N/A	16.544	MOA	10/01/10-06/15/11
Congressionally Recommended Awards	Department of Justice — Bryne Disc After School Counts	N/A	16.753	2008DDBX0589	09/01/08-08/31/09
TOTAL U.S. DEPARTMENT OF JUSTICE					
U.S. DEPARTMENT OF LABOR					
Direct Funding					
WIA Pilots, Demonstrations, and Research Projects	WIA Youth Young Offenders	N/A	17.261	YE163290760A-17	07/01/07-06/30/11
Reintegration of Ex-offenders Youth Employment Act	Reintegration of Ex-offenders Youth Employment Act	N/A	17.261	YF163296JO	07/01/09-06/30/11
Total U.S. Department of Labor — Direct Funding					
Passed Through Mayors' Office of Workforce Development					
WIA Youth Activities, Recovery Act	WIA Stimulus Summer Employment	NA NA	17.259 17.259	AA17119855/08-762009 AA17119855/08-753419	06/1/10-10/28/10 07/1/10-11/20/10
Total U.S. Department of Labor Passed Through Mayor's Office of Workforce Development					
Passed Through Illinois Department of Commerce and Economic Opportunity					
Illinois Innovation Talent Program	Illinois Innovation Talent Program — Schurz	NA	17.267	Agreement	07/01/10-05/31/11
Total U.S. Department of Labor Passed Through Illinois Department of Commerce and Economic Opportunity					
TOTAL U.S. DEPARTMENT OF LABOR					



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2010	Cash (Received) Refunded July 1, 2010 June 30, 2011	Revenue Recognized July 1, 2010 June 30, 2011	Expenditure July 1, 2010 June 30, 2011	Adjustment to Grant Revenue July 1, 2010 June 30, 2011	Accrued (Deferred) Grant Revenue June 30, 2011	Prior Years' Expenditures Through June 30, 2010	Final status Cumulative Expenditures Through June 30, 2011
N/A	49,573	(176,888)	127,315	127,315	—	—	4,771,973	4,899,288
N/A	—	(4,693,554)	4,761,326	4,761,326	—	67,772	—	4,761,326
N/A	26,234	(26,234)	—	—	—	—	66,638	66,638
N/A	—	(10,891)	10,891	10,891	—	—	—	10,891
N/A	—	(86,333)	97,802	97,802	—	11,469	—	97,802
N/A	—	(10,729,887)	10,729,887	10,729,887	—	—	—	10,729,887
21,000	—	(2,000)	2,000	2,000	—	—	—	2,000
\$ 21,000	\$ 27,768,628	\$(183,343,097)	\$ 165,633,632	\$ 165,633,632	\$ —	\$ 10,059,163	\$ 139,176,643	\$304,810,275
\$ 2,000	\$ —	\$ —	\$ 2,000	\$ 2,000	\$ —	\$ 2,000	\$ —	\$ 2,000
\$ 2,000	\$ —	\$ —	\$ 2,000	\$ 2,000	\$ —	\$ 2,000	\$ —	\$ 2,000
N/A	\$ 108,270	\$ (108,270)	\$ —	\$ —	\$ —	\$ —	\$ 447,096	\$ 447,096
N/A	—	(293,484)	395,168	395,168	—	101,684	—	395,168
\$ —	\$ 108,270	\$(401,754)	\$ 395,168	\$ 395,168	\$ —	\$ 101,684	\$ 447,096	\$ 842,264
\$ 23,000	\$ 27,876,898	\$(183,744,851)	\$ 166,030,800	\$ 166,030,800	\$ —	\$ 10,162,847	\$ 139,623,739	\$305,654,539
\$ 262,168	\$ —	\$ (190,000)	\$ 190,000	\$ 190,000	\$ —	\$ —	\$ 72,168	\$ 262,168
86,000	86,000	(60,715)	—	—	—	25,285	86,000	86,000
86,000	—	—	86,000	86,000	—	86,000	—	86,000
\$ 434,168	\$ 86,000	\$(250,715)	\$ 276,000	\$ 276,000	\$ —	\$ 111,285	\$ 158,168	\$ 434,168
\$ 100,000	\$ —	\$ —	\$ 100,000	\$ 100,000	\$ —	\$ 100,000	\$ —	\$ 100,000
100,000	—	—	100,000	100,000	—	100,000	—	100,000
956,000	76,743	(142,622)	600,376	600,376	—	534,497	355,624	956,000
\$ 1,156,000	\$ 76,743	\$(142,622)	\$ 800,376	\$ 800,376	\$ —	\$ 734,497	\$ 355,624	\$ 1,156,000
\$ 317,569	\$ —	\$ (233,179)	\$ 317,569	\$ 317,569	\$ —	\$ 84,390	\$ —	\$ 317,569
983,783	271,389	(367,708)	96,319	96,319	—	—	827,981	924,300
1,200,000	25,805	(355,437)	388,814	388,814	—	59,182	25,805	414,619
9,800	—	—	1,699	1,699	—	1,699	—	1,699
178,869	30,419	(53,081)	33,612	33,612	—	10,950	54,413	88,025
\$ 2,690,021	\$ 327,613	\$(1,009,405)	\$ 838,013	\$ 838,013	\$ —	\$ 156,221	\$ 908,199	\$ 1,746,212
\$ 4,800,000	\$ (160,607)	\$ (747,241)	\$ 978,558	\$ 978,558	\$ —	\$ 70,710	\$ 3,821,442	\$ 4,800,000
1,060,000	—	(221,016)	663,627	663,627	—	442,611	—	663,627
\$ 5,860,000	\$ (160,607)	\$(968,257)	\$ 1,642,185	\$ 1,642,185	\$ —	\$ 513,321	\$ 3,821,442	\$ 5,463,627
\$ 218,400	\$ 8,940	\$ (203,694)	\$ 194,754	\$ 194,754	\$ —	\$ —	\$ 8,940	\$ 203,694
74,764	—	(72,711)	72,711	72,711	—	—	—	72,711
\$ 293,164	\$ 8,940	\$(276,405)	\$ 267,465	\$ 267,465	\$ —	\$ —	\$ 8,940	\$ 276,405
\$ 3,000	\$ —	\$ (5,000)	\$ —	\$ —	\$ —	\$ (5,000)	\$ —	\$ —
\$ 3,000	\$ —	\$(5,000)	\$ —	\$ —	\$ —	\$(5,000)	\$ —	\$ —
\$ 6,156,164	\$ (151,667)	\$(1,249,662)	\$ 1,909,650	\$ 1,909,650	\$ —	\$ 508,321	\$ 3,830,382	\$ 5,740,032



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Supplementary Schedule of Expenditures of Federal Awards (continued)

<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE					
Passed Through Illinois State Board of Education					
Learn and Serve America — School and Community Based Programs	Learn and Serve America	4910	94.004	10-4910-00	12/23/09-08/31/10
		4910	94.004	11-4910-00	09/01/10-06/30/11
Program Development and Innovation Grants	Generator Go Green Initiative G3	N/A	94.004	N/A	08/01/09-06/30/10
		N/A	94.004	N/A	08/01/10-06/30/11
	MLK Day of Service	N/A	94.007	Agreement	10/01/10-02/15/11
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE					
INSTITUTE OF MUSEUM AND LIBRARY SERVICES					
Passed Through Illinois State Library					
Laura Bush 21st Century Librarian Program	Chicago Teacher- Librarians for the 21st Century	NA	45.313	RE0106006706	10/01/06-09/30/10
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES					
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Direct Funding					
Cooperative Agreements to Support Comprehensive School Health Programs	Comprehensive School Health	N/A	93.293	1U87DP001234-01	03/01/08-06/30/11
Refugee and Entrant Assistance Discretionary Grants	Supplemental Services for Recently Arrived Refugees	N/A	93.576	90RU0156/01	08/15/08-06/18/10
Children's Health Insurance Program	Children's Health Insurance Rehabilitation Act	N/A	93.767	1Z0/CMS/0304991/01	09/30/09-06/30/11
Chicago Teen Pregnancy Prevention Initiative	Chicago Teen Pregnancy Prevention Initiative	N/A	93.297	TP1AH000066-01-0	09/01/10-06/30/11
Substance Abuse and Mental Health Services — Projects of Regional and National Significance	Enhancing Students Skills for Success	N/A	93.243	1U79SM060297-01	09/30/10-06/30/11
Prevention and Wellbeing — Communities Putting Prevention to Work (FOA), Recovery Act	Chicago Tobacco Prevention Project	N/A	93.724	IU58DP002446/01	10/01/10-06/30/11
Total U.S. Department of Health and Human Services-Direct Funding					
Passed Through City of Chicago					
Head Start	Pre-Kindergarten-Child Development	N/A	93.600	PO#18117-2	12/01/09-11/30/10
		N/A	93.600	PO#18117-R6	12/01/10-06/30/11
	Headstart — Supp Dis SP Initiative	N/A	93.600	PO#10752-3	12/01/07-11/30/08
		N/A	93.600	PO#18395-1	12/01/08-11/30/09
		N/A	93.600	PO#18395-2	12/01/09-01/03/11
Head Start, Recovery Act	Headstart COLA ARRA	N/A	93.600	PO#18395-3	12/01/10-06/30/11
		N/A	93.708	PO#18117-3	08/01/09-09/30/10
	Headstart Quality Improvement ARRA	N/A	93.708	PO#18117-6	08/01/09-09/30/10
		N/A	93.708	PO#18117	01/01/11-06/30/11
Total U.S. Department of Health and Human Services Passed Through City of Chicago					
Passed Through Illinois Department of Human Services					
Refugee and Entrant Assistance Discretionary Grants	Refugee Children Impact Grant	N/A	93.576	81X8116000K	07/01/09-06/30/10
		N/A	93.576	81X8116000K	07/01/10-06/30/11
Total U.S. Department of Health and Human Services Passed Through Illinois Department of Human Services					
Passed through Illinois Department of Healthcare and Family Services (IDHFS)					
Medical Assistance Program	Medicaid — Administrative Services	N/A	93.778	95-4900-00	07/01/09-06/30/10
		N/A	93.778	95-4900-00	07/01/10-06/30/11
Total U.S. Department of Health and Human Services Passed Through IDHFS					
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICE					
U.S. DEPARTMENT OF HOMELAND SECURITY					
Passed through Illinois Emergency Management Agency					
Disaster Grants — Public Assistance	Fema — Snowstorm	N/A	97.036	FEMA-1960-DR-IL	02/01/11-06/30/11
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY					



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2010	Cash (Received) Refunded July 1, 2010 June 30, 2011	Revenue Recognized July 1, 2010 June 30, 2011	Expenditure July 1, 2010 June 30, 2011	Adjustments to Grant Revenue July 1, 2010 June 30, 2011	Accrued (Deferred) Grant Revenue June 30, 2011	Prior Years' Expenditures Through June 30, 2010	Final Status Cumulative Expenditures Through June 30, 2011
\$ 208,125	\$ 930	\$ (37,568)	\$ 36,638	\$ 36,638	\$ —	\$ —	\$ 97,710	\$ 134,348
208,125	—	(127,777)	90,678	90,678	—	(37,099)	—	90,678
90,000	63,491	(62,648)	(843)	(843)	—	—	63,491	62,648
95,000	—	(15,248)	61,139	61,139	—	45,891	—	61,139
5,000	—	(5,000)	4,593	4,593	—	(407)	—	4,593
\$ 606,250	\$ 64,421	\$ (248,241)	\$ 192,205	\$ 192,205	\$ —	\$ 8,385	\$ 161,201	\$ 353,406
\$ 310,769	\$ —	\$ (23,532)	\$ 23,532	\$ 23,532	\$ —	\$ —	\$ —	\$ 23,532
\$ 310,769	\$ —	\$ (23,532)	\$ 23,532	\$ 23,532	\$ —	\$ —	\$ —	\$ 23,532
\$ 1,490,029	\$ (451,163)	\$ (508,190)	\$ 985,327	\$ 985,327	\$ —	\$ 25,974	\$ 504,702	\$ 1,490,029
250,000	19,257	(21,555)	2,297	2,297	—	(1)	218,766	221,063
235,173	10,129	(63,078)	91,780	91,780	—	38,831	56,883	148,663
3,943,607	—	(197,895)	353,845	353,845	—	155,950	—	353,845
99,456	—	—	2,053	2,053	—	2,053	—	2,053
39,997	—	(4,731)	—	—	—	(4,731)	—	—
\$ 6,058,262	\$ (421,777)	\$ (795,449)	\$ 1,435,302	\$ 1,435,302	\$ —	\$ 218,076	\$ 780,351	\$ 2,215,653
\$39,620,037	\$ 25,593,847	\$(39,620,037)	\$ 14,026,190	\$ 14,026,190	\$ —	\$ —	\$ 25,593,847	\$ 39,620,037
23,817,952	—	(13,449,739)	23,817,952	23,817,952	—	10,368,213	—	23,817,952
867,864	(358,889)	—	—	—	—	(358,889)	502,881	502,881
970,001	(28,695)	—	—	—	—	(28,695)	887,921	887,921
1,100,923	168,755	(566,493)	625,552	625,552	—	227,814	699,465	1,325,017
1,533,790	—	—	644,458	644,458	—	644,458	—	644,458
672,336	386,859	(396,807)	98,244	98,244	—	88,296	386,859	485,103
180,000	7,500	(115,038)	107,538	107,538	—	—	7,500	115,038
364,583	—	—	364,583	364,583	—	364,583	—	364,583
\$69,127,486	\$ 25,769,377	\$(54,148,114)	\$ 39,684,517	\$ 39,684,517	\$ —	\$ 11,305,780	\$ 28,078,473	\$ 67,762,990
\$ 150,000	\$ 90,093	\$ (90,093)	\$ —	\$ —	\$ —	\$ —	\$ 145,637	\$ 145,637
216,507	—	(90,348)	201,705	201,705	—	111,357	—	201,705
366,507	\$ 90,093	\$ (180,441)	\$ 201,705	\$ 201,705	\$ —	\$ 111,357	\$ 145,637	\$ 347,342
N/A	\$ 17,389,364	\$(17,398,093)	\$ 8,729	\$ 8,729	\$ —	\$ —	\$ 17,389,364	\$ 17,398,093
N/A	—	(7,936,727)	14,970,029	14,970,029	—	7,033,302	—	14,970,029
\$ —	\$ 17,389,364	\$(25,334,820)	\$ 14,978,758	\$ 14,978,758	\$ —	\$ 7,033,302	\$ 17,389,364	\$ 32,368,122
\$75,552,255	\$ 42,827,057	\$(80,458,824)	\$ 56,300,282	\$ 56,300,282	\$ —	\$ 18,668,515	\$ 46,393,825	\$102,694,107
\$ 849,110	\$ —	\$ —	\$ 781,162	\$ 781,162	\$ —	\$ 781,162	\$ —	\$ 781,162
\$ 849,110	\$ —	\$ —	\$ 781,162	\$ 781,162	\$ —	\$ 781,162	\$ —	\$ 781,162



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<u>FUNDING SOURCE Program Name</u>	<u>Name of Grant</u>	<u>ISBE Account Number</u>	<u>Federal Catalog Number</u>	<u>Contract Number</u>	<u>Contract Period</u>
U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY					
Direct Funding					
Environmental Education Grants	Adopt an Ecosystem	N/A	66.951	NE-83447501-0	07/01/09-02/28/11
TOTAL U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY					
U.S. DEPARTMENT OF TRANSPORTATION					
Passed Through Illinois Department of Aviation					
Airport Improvement Program	Noise Abatement — Hancock	N/A	20.106	3-17-0025-62	07/07/05-06/30/10
	Noise Abatement — Dore	N/A	20.106	3-17-0025-64	07/07/05-06/30/10
	Noise Abatement — Hitch	N/A	20.106	3-17-0022-97	09/15/08-02/01/11
Noise Program Implementation Hitch, Recovery Act	Noise Program — Hitch ARRA	N/A	20.106	3-17-022-104-2009	06/17/09-02/16/11
TOTAL U.S. DEPARTMENT OF TRANSPORTATION					
U.S. DEPARTMENT OF DEFENSE					
Direct Funding					
U.S. Army	R.O.T.C. Salaries: Army	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
U.S. Navy	Navy Salaries — W. Young HS	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
	Navy Salaries — Simeon HS	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
	Navy Salaries — Taft HS	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
	Navy JROTC — Corliss HS	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
	Navy JROTC — Rickover HS	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
	Marine Salaries — Juarez HS	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
	Marine Salaries — Curie HS	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
U.S. Air Force	Air Force — Air Force Academy High School	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
	Air Force — Phillips	N/A	12.609	Agreement	07/01/09-06/30/10
		N/A	12.609	Agreement	07/01/10-06/30/11
U.S. Navy	Navy JROTC HS CPS — Rickover Academy	N/A	12.300	N00014-05-1-0815	06/03/08-06/02/09
TOTAL U.S. DEPARTMENT OF DEFENSE					
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
Direct Funding					
Aerospace Education Services Program	NASA Explorer School Barton	N/A	43.001	Agreement	10/06/05-10/05/08
	NASA Explorer School Harlan	N/A	43.001	Agreement	10/13/05-10/12/08
NASA NRA K-12 Competitive Grant Opportunity	NASA NRA K-12 Competitive Grant Opportunity	N/A	43.001	NNX09AH88A	04/09/09-04/08/11
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
GRAND TOTAL					



Amount of Grant	Accrued (Deferred) Grant Revenue June 30, 2010	Cash (Received) Refunded July 1, 2010 June 30, 2011	Revenue Recognized July 1, 2010 June 30, 2011	Expenditure July 1, 2010 June 30, 2011	Adjustments to Grant Revenue July 1, 2010 June 30, 2011	Accrued (Deferred) Grant Revenue June 30, 2011	Prior Years' Expenditures Through June 30, 2010	Final Status Cumulative Expenditures Through June 30, 2011
\$ 126,732	\$ 14,292	\$ (47,421)	\$ 33,126	\$ 33,126	\$ —	\$ (3)	\$ 40,382	\$ 73,508
\$ 126,732	\$ 14,292	\$ (47,421)	\$ 33,126	\$ 33,126	\$ —	\$ (3)	\$ 40,382	\$ 73,508
\$ 6,376,446 1,420,000 168,648	\$ 666,614 (105,929) 16,874	\$ (372,970) — (51,183)	\$ (293,644) — —	\$ (293,644) — —	\$ — — —	\$ — (105,929) (34,309)	\$ 6,376,446 19,190 168,648	\$ 6,082,802 19,190 168,648
5,000,000	506,872	(2,111,677)	1,604,805	1,604,805	—	—	2,605,889	4,210,694
\$ 12,965,094	\$ 1,084,431	\$ (2,535,830)	\$ 1,311,161	\$ 1,311,161	\$ —	\$ (140,238)	\$ 9,170,173	\$ 10,481,334
N/A	\$ 328,617	\$ (328,617)	\$ —	\$ —	\$ —	\$ —	\$ 3,366,958	\$ 3,366,958
N/A	—	(3,040,639)	3,360,274	3,360,274	—	319,635	—	3,360,274
N/A	13,928	(13,928)	—	—	—	—	45,140	45,140
N/A	—	(35,223)	49,544	49,544	—	14,321	—	49,544
N/A	28,148	(28,148)	—	—	—	—	96,230	96,230
N/A	—	(71,242)	100,254	100,254	—	29,012	—	100,254
N/A	24,466	(24,466)	—	—	—	—	83,129	83,129
N/A	—	(62,019)	87,306	87,306	—	25,287	—	87,306
N/A	14,170	(14,170)	—	—	—	—	49,051	49,051
N/A	—	(38,416)	53,125	53,125	—	14,709	—	53,125
N/A	44,882	(44,882)	—	—	—	—	158,097	158,097
N/A	—	(119,647)	166,898	166,898	—	47,251	—	166,898
N/A	5,846	(5,846)	—	—	—	—	62,926	62,926
N/A	—	(61,116)	67,167	67,167	—	6,051	—	67,167
N/A	5,595	(5,595)	—	—	—	—	61,441	61,441
N/A	—	(54,059)	59,529	59,529	—	5,470	—	59,529
N/A	5,840	(5,840)	—	—	—	—	66,180	66,180
N/A	—	(65,283)	71,333	71,333	—	6,050	—	71,333
N/A	4,848	(4,848)	—	—	—	—	54,060	54,060
N/A	—	(46,688)	51,663	51,663	—	4,975	—	51,663
N/A	163,243	(163,243)	—	—	—	—	555,222	555,222
\$ —	\$ 639,583	\$ (4,233,915)	\$ 4,067,093	\$ 4,067,093	\$ —	\$ 472,761	\$ 4,598,434	\$ 8,665,527
\$ 17,341 17,361	\$ (159) (139)	\$ — —	\$ — —	\$ — —	\$ — —	\$ (159) (139)	\$ 17,341 17,361	\$ 17,341 17,361
1,499,964	79,165	(482,592)	466,473	466,473	—	63,046	101,492	567,965
\$ 1,534,666	\$ 78,867	\$ (482,592)	\$ 466,473	\$ 466,473	\$ —	\$ 62,748	\$ 136,194	\$ 602,667
\$ 2,389,830,168	\$129,253,539	\$ (925,364,933)	\$1,049,096,628	\$1,049,096,628	\$ —	\$252,985,234	\$1,378,024,070	\$2,427,120,698



BOARD OF EDUCATION OF THE CITY OF CHICAGO
OMB CIRCULAR A-133

NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011

1. SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133

General — The Board of Education of the City of Chicago (the “CPS”) is a body politic and corporate of the State of Illinois. All significant federal financial and compliance operations of the CPS are included in the scope of the OMB Circular A-133 audit (the “Single Audit”). The U.S. Department of Education (the “USDEd”) is the CPS’ cognizant federal agency for the Single Audit. Cognizant duties have been delegated to the Illinois State Board of Education (the “ISBE”) by the USDEd, which, in turn, oversees the performance of such duties.

Fiscal Period Audited — Contractual funding periods are indicated in the Schedule of Expenditures of Federal Award (the “Schedule”). Single Audit testing procedures were performed for federal financial assistance transactions occurring during the fiscal year ended June 30, 2011.

2. NATURE OF FEDERAL FINANCIAL ASSISTANCE

Generally, federal awards are granted for the purpose of providing specific services or aid to specific individuals. In addition to the purposes they serve, federal programs can be classified according to the basis under which the federal programs are funded. For certain federal programs, funds are received based upon actual qualified expenditures up to the total federal awards amount (expenditure-driven federal programs). For other federal programs, funds are received based on an approved formula such as a standard reimbursement rate applied to qualified unit of service provided (formula-driven federal program.)

The majority of the CPS’ federal awards are passed through and received from the ISBE. For those pass-through federal awards, the CPS’ direct reporting responsibility is to ISBE, which, in their capacity as sub-grantors, oversee and monitor the utilization of such federal awards by the CPS.

3. BASIS OF PRESENTATION IN THE SCHEDULE OF GRANT ACTIVITY

General — All federal programs considered active during the year ended June 30, 2011, are reflected on the Schedule. An active federal program is defined as a federal program for which there were receipts or disbursements of funds or accrued (deferred) grant revenue adjustments during the fiscal year or a federal program considered as not completed or closed out at the beginning of the fiscal year. The Schedule is prepared using the accrual basis of accounting. In addition, there is no federal insurance in effect during the year and loan or loan guarantee outstanding at year end.

Revenues — Grant revenues for expenditure-driven federal programs and federal loans are recognized in the Schedule based on expenditures incurred during the fiscal year. Grant revenues for formula-driven federal programs are recognized based on units of services provided as of June 30, 2011.

Grant revenues for the Food Donation Program are based upon commodities received, at amounts per standard price listing, published quarterly by the United States Department of Agriculture (the “USDA”).

Expenditures — For all expenditure-driven federal programs, expenditures included on the Schedule represent actual expenditures incurred during the fiscal year ended June 30, 2011. In accordance with OMB Circular A-87, pension costs are uniformly charged to all positions as a direct benefit cost in proportion to pensionable salary regardless of whether the funding source is local, state, or federal.



For formula-driven federal programs, expenditures are presented on the Schedule as follows:

- The expenditures for the National School Lunch and Breakfast Program in the schedule only reflected the portion funded by the Program.
- Expenditures for the Food Donation Program represent commodities received at amounts per the USDA standard price listings.

Adjustments to Increase (Decrease) Accrued Grant Revenue — Adjustments reflected in the Schedule of Expenditures of Federal Awards represent (1) adjustments for recorded expenditures that have been determined to be unallowable by respective funding agencies, (2) corrections of prior year’s estimated accruals.

Accrued and Deferred Grant Revenue — Various funding schedules are used for the federal awards received by the CPS. Consequently, timing differences between the recognition of revenues and related cash receipts can exist at the beginning and end of the fiscal year. Accrued grant revenue balances represent the excess of revenue recognized over cash received to date. Deferred grant revenue balances represent the excess of cash received over revenue recognized to date.

4. RELATIONSHIP TO THE FINANCIAL STATEMENTS INCLUDED IN THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

The following is a reconciliation of federal grant revenues as reflected in the Schedule of Federal Grant Revenues reflected in the CPS’ Comprehensive Annual Financial Reports:

“Revenue recognized” per the Schedule	\$1,049,096,627
E-Rate program revenues not included in the Schedule	25,916,563
Medicare Part D Revenue not included in the Schedule	853,401
Medicaid Fee for Service Revenue not included in the Schedule	43,209,157
Build America Bonds (BABS) revenue not included in the Schedule	22,380,113
Adjustments to record revenue not collected within 30 days (“available”)	<u>3,428,202</u>
Federal revenues per the CPS’ Comprehensive Annual Financial Report	<u>\$1,144,884,063</u>

Expenditures relating to individual federal programs are not represented separately from other CPS expenditures in the CPS’ Comprehensive Annual Financial Report. Accordingly, a similar reconciliation of expenditures is not included herein.

5. FINAL CLAIMS

Some final claims for federal programs with a contractual funding period ended June 30, 2011, were filed prior to recording certain year-end adjustments and, therefore, do not agree with the related amounts accrued and reported in the Schedule. The CPS plans to submit a program liquidation report to the respective grantor agencies, which will revise the outstanding obligation amounts per the final claim, thereby reflecting the appropriate year-end adjustments for these federal awards.



Statutory Reporting Section

6. SUBRECIPIENTS

Included in the total federal expenditure of \$1,049,096,627 presented on the Schedule of Expenditures of Federal Awards for the year ended June 30, 2011 is \$26,352,853 of federal awards provided to subrecipients. The following is a summary of the subrecipient amounts passed through CPS for the fiscal year ended June 30, 2011.

<u>Program Name</u>	<u>Name of Grant</u>	<u>CFDA</u>	<u>Amount</u>
Fresh Fruit and Vegetable Program	Fresh Fruits and Vegetables	10.582	\$ 20,474
Title I Grants to Local Education Agencies	Title I — Low Income	84.010A	13,797,345
Special Education Grants to State	IDEA — Flow Through/Low Incidence	84.027	8,720,267
Fund for the Improvement of Education	Teaching American History Grant	84.215X	808
Twenty-First Century Community Learning Centers	Title IV — 21st Century Commm Learning Centers	84.287C	200,000
English Language Acquisition Grant	Title III — Language Instruction Program	84.365A	381,120
Improving Teacher Quality State Grants	Class Size Reduction (NCLB)	84.367A	1,807,326
Teacher Incentive Fund	Teacher Incentive Fund Program	84.385	1,198,524
School Improvement Grants	School Improvement Grant	84.377A	98,909
ARRA — Title I Grants to Local Education Agencies,	Title I — Public Instruction % Support Serives ARRA	84.389A	128,080
	Total Awards to Subrecipients		<u>\$26,352,853</u>

7. FINDINGS AND QUESTIONED COSTS

The findings and questioned costs identified in connection with the fiscal year ended June 30, 2011, Single Audit are disclosed in the accompanying Schedule of Findings and Questioned Costs and Auditee Corrective Action Plan. The presentation conforms to the formatting requirements of the ISBE. The questioned cost reflected in such schedule reflect the potential reimbursement effect of costs which were deemed as inappropriately allocated to a federal program or which could have been allocated to a federal program, but were not.



**BOARD OF EDUCATION OF THE CITY OF CHICAGO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2011**

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u>	None Reported
Noncompliance material to financial statements noted?	_____	Yes	<u> X </u>	No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiency(ies)?	_____	Yes	<u> X </u>	None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	<u> X </u>	Yes	_____	No
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Statutory Reporting Section

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>	<u>Amount Expended</u>
84.010	Title I — Grants to Local Education Agencies	\$302,615,561 (1)
84.027	Special Education Grants to States	96,569,605 (2)
84.048	Career and Technical Education — Basic Grants	8,003,071
84.173	Special Education — Preschool Grants	1,453,782 (2)
84.184	Safe and Drug-Free Schools and Communities — National Programs	2,371,910
84.186	Safe and Drug Free Schools and Communities	1,288,154
84.215	Fund for the Improvement of Education	4,250,043
84.287	Twenty-First Century Community Learning Centers	5,735,044
84.318	Education Technology State Grants	1,806,758
84.357	Reading First State Grants	4,691,642
84.367	Improving Teacher Quality State Grants	45,992,449
84.371	Striving Readers	3,354,635
84.374	Teacher Incentive Fund	6,821,560 (4)
84.377	School Improvement Grants	1,524,760 (3)
84.385	Teacher Incentive Fund, Recovery Act	3,341,259 (3)
84.388	School Improvement Grants, Recovery Act	5,562,288 (4)
84.389	Title I Grants, Recovery Act	174,961,311 (1)
84.391	Special Education Grants to States, Recovery Act	62,853,499 (2)
84.392	Special Education — Preschool Grants, Recovery Act	2,443,183 (2)
84.410	Education Jobs Fund	57,678,955
97.036	Disaster Grants — Public Assistance	781,162
		<u>\$794,100,631</u>

Notes:

- (1) Part of Title I cluster
- (2) Part of Special Education cluster
- (3) Part of School Improvement cluster
- (4) Part of Teacher Incentive Fund cluster

Dollar threshold used to distinguish between type A and type B programs:

\$3,276,917

Auditee qualified as low-risk auditee?

Yes No

II. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings required to be reported in accordance with generally accepted government auditing standards.



III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding SA11-01: Equipment And Real Property Management (Recurring — 2009, 2010)

Questioned costs: None, as all purchased capital assets were for allowable activities.

Federal Agency: US Department of Education

Federal Program Title, Pass-Through Entity (if applicable), CFDA Number, Award Number, Award Year:

Title I Grants to Local Education Agencies (Low Income); Illinois State Board of Education; CFDA number 84.010; ISBE project number 2011-4300-00-15016299025; award year July 1, 2010 through August 31, 2011

Title I Grants to Local Education Agencies, Recovery Act (Low Income); Illinois State Board of Education; CFDA number 84.389; ISBE project number 2011-4851-00-15016299025; award year August 16, 2010 through September 30, 2011

Special Education — Grants to States; Illinois State Board of Education; CFDA number 84.027; ISBE project number 2011-4620-00-15016299025; award year July 1, 2010 through August 31, 2011

Career and Technical Education — Basic Grants to States; Illinois State Board of Education; CFDA number 84.048; ISBE project number 2011-4745-00-15016299025; award year July 1, 2010 through August 31, 2011

Safe and Drug-Free Schools and Communities — National Programs; CFDA number 84.184; award number Q184L070255-01; award period September 1, 2007 through June 30, 2011.

Educational Technology State Grants; Illinois State Board of Education; CFDA number 84.318; ISBE project number 2011-4971-00-15016299025; award year July 1, 2010 through June 30, 2011

Improving Teacher Quality State Grants; Illinois State Board of Education; CFDA number 84.367; ISBE project number 2011-4932-00-15016299025; award year July 1, 2010 through June 30, 2011

Striving Readers; CFDA number 84.371; award number S371A060097; award year March 1, 2010 through February 28, 2011

School Improvement Grants; Illinois State Board of Education; CFDA number 84.377; ISBE project numbers 2010-4339-01-15016299025 thru 2010-4339-91-15016299025; award year July 1, 2009 through August 31, 2010

School Improvement Grants, Recovery Act; Illinois State Board of Education; CFDA number 84.388; ISBE project numbers 2011-4855-11-15016299025 thru 2011-4339-12-15016299025; award year July 1, 2010 through August 31, 2011

Criteria:

Subrecipients of States who are local governments must follow State laws and procedures for equipment acquired under a subgrant from the state. Local governments which receive federal awards directly from the awarding agency must follow the provisions of the A-102 Common Rule for equipment acquired under Federal Awards.



Statutory Reporting Section

Condition:

The following conditions were noted during testing for fiscal year 2011:

- 7 out of 145 equipment purchases tested met the State or Federal, as appropriate, definition for equipment, but are not tracked on CPS equipment registers.
- 20 out of 145 equipment purchases tested were recorded in the CPS asset registers, but did not meet the State or Federal, as appropriate, definition for equipment and should not have been included in asset registers.
- 48 out of 145 equipment purchases tested were recorded in the CPS asset registers, but were missing required information as to the unique identification number assigned to the property.

Context:

The total combined expenditures in fiscal year 2011 for the affected grant programs were approximately \$848 million. Equipment purchases do not represent a significant portion of the total expenditures of the affected grant programs, excluding the Educational Technology State Grant, where equipment purchases represent approximately 33% of total expenditures.

Cause and Effect:

- Individual schools are required to maintain their equipment listing. A number of schools failed to properly update their registers or had errors in their registers.
- Central Office staff did not adequately follow up on incomplete or erroneous asset registers to ensure proper updates and corrections were made.
- CPS requires individual schools to track equipment in registers that are designed to comply with State and Federal laws and procedures.
- Some pieces of equipment lacked all data required to be tracked in the CPS asset registers.
- Some pieces of equipment were not properly identified as equipment required to be tracked under State and Federal laws and procedures, and other items were improperly identified as equipment and added to asset registers.
- Recipients that do not comply with all the requirements related to a particular grant risk future reductions in funding from the grantor agency.

Recommendation:

Improve equipment management practices and procedures by including the following:

- Improve training for staff with equipment tracking responsibilities to ensure that they are aware of what types of items are required to be tracked, and what items are not required to be tracked, as well as the information that is required to be included in the equipment registers.
- Review equipment registers to determine if there are any items that are improperly included and remove them from the register.
- Utilize periodic inventory observations already in place to ensure all equipment purchased with federal funds is included in equipment registers and those registers contain all required information.



Corrective Action Plan

The Office of Budget and Grants Management (BGM) provides schools with a reference manual which delineates equipment inventory requirements that support federal requirements and board policy and procedures. BGM will continue to participate in mandatory principal training concerning Title I Equipment Management and will conduct outreach to the school and non-school with regard to training. BGM will assist to ensure that the equipment management practices and procedures include appropriate information per state and federal law and with communication regarding these requirements. This will include the per item cost dollar threshold required for items purchased using grant funds and the definition of equipment. As for follow-up and compliance, BGM conducts random on-site school based testing of equipment items and fixed asset registers as part of federal compliance reviews conducted at a sample of schools each year. When there are compliance issues, the school is cited for irregularities and requests corrective action and evidence of compliance. BGM will work with General Accounting to determine if other procedures such as a desk audit of a random selection of school asset registers can be reviewed for compliance and follow-up with individual schools that submit deficient equipment registers for corrective action.

Finding SA11-02: Reporting (Recurring — 2010)

Questioned costs: N/A

Federal Agency: US Department of Education

Federal Program Title, Pass-Through Entity (if applicable), CFDA Number, Award Number, Award Year:

Title I Grants to Local Education Agencies (Low Income); Illinois State Board of Education; CFDA number 84.010; ISBE project number 2011-4300-00-15016299025; award year July 1, 2010 through August 31, 2011

Title I Grants to Local Education Agencies (Neglected); Illinois State Board of Education; CFDA number 84.010; ISBE project number 2011-4305-00-15016299025; award year July 1, 2010 through August 31, 2011

Title I Grants to Local Education Agencies, Recovery Act (Low Income); Illinois State Board of Education; CFDA number 84.389; ISBE project number 2011-4851-00-15016299025; award year August 16, 2010 through September 30, 2011

Special Education — Grants to States; Illinois State Board of Education; CFDA number 84.173; ISBE project number 2011-4600-00-15016299025; award year July 6, 2010 through August 31, 2011

Special Education — Grants to States; Illinois State Board of Education; CFDA number 84.173; ISBE project number 2011-4605-00-15016299025; award year July 1, 2010 through June 30, 2011

Special Education — Grants to States; Illinois State Board of Education; CFDA number 84.027; ISBE project number 2011-4620-00-15016299025; award year July 1, 2010 through August 31, 2011

Special Education — Grants to States, Recovery Act; Illinois State Board of Education; CFDA number 84.392; ISBE project number 2011-4856-00-15016299025; award year August 16, 2010 through September 30, 2011

Special Education — Grants to States, Recovery Act; Illinois State Board of Education; CFDA number 84.391; ISBE project number 2011-4857-00-15016299025; award year August 16, 2010 through September 30, 2011

Career and Technical Education — Basic Grants to States; Illinois State Board of Education; CFDA number 84.048; ISBE project number 2011-4745-00-15016299025; award year July 1, 2010 through August 31, 2011



Statutory Reporting Section

Safe and Drug Free Schools and Communities State Grants; Illinois State Board of Education; CFDA number 84.186; ISBE project number 2010-4400-00-15016299025; award year July 1, 2010 through August 31, 2011

Twenty-First Century Community Learning Centers; Illinois State Board of Education; CFDA number 84.287; ISBE project number 2010-4421-01-15016299025; award year July 1, 2010 through August 31, 2011

Improving Teacher Quality State Grants; Illinois State Board of Education; CFDA number 84.367; ISBE project number 2011-4932-00-15016299025; award year July 1, 2010 through June 30, 2011

School Improvement Grants; Illinois State Board of Education; CFDA number 84.377; ISBE project numbers 2011-4339-01-15016299025 thru 2011-4339-91-15016299025; award year July 1, 2010 through August 31, 2011

Teacher Incentive Fund, Recovery Act; CFDA number 84.385; Project number S374A070047-09A; award year October 1, 2009 through September 30, 2010.

Criteria:

Recipients of federal awards from a pass-through entity must follow the procedures required by the pass-through entity for preparing and submitting reports.

Condition:

Certain grant programs had periodic expenditure reports, project completion reports, and/or final expenditure reports that were filed after the due date promulgated by the Illinois State Board of Education (20 days after the “expenditure through” date for periodic expenditure reports and project completion reports, and 90 days after the “expenditure through” date for the final expenditure report). Certain grant programs had periodic expenditure reports, project completion reports, and/or final expenditure reports that were filed after the due date promulgated by the Board of Education (30 days when reports are required on a quarterly or semiannual basis).

Context:

The following programs had one or more period expenditure reports filed more than 20 days after the “expenditure through” date:

CFDA 84.010 Title I Grants to Local Education Agencies (Low Income)

CFDA 84.010 Title I Grants to Local Education Agencies (Neglected)

CFDA 84.027 Special Education — Grants to States

CFDA 84.048 Career and Technical Education — Basic Grants to States

CFDA 84.287 Twenty-First Century Community Learning Centers

CFDA 84.367 Improving Teacher Quality State Grants

CFDA 84.377 School Improvement Grants

CFDA 84.389 Title I Grants to Local Education Agencies, Recovery Act

In total, 22 out of 32 periodic expenditure reports reviewed were submitted to ISBE more than 20 days after the “expenditure through” date.

The following programs had Final Expenditure Reports submitted more than 90 days after the project ending (final “expenditure through”) date:

CFDA 84.010 Title I Grants to Local Education Agencies (Low Income)

CFDA 84.027 Special Education — Grants to States



CFDA 84.048 Career and Technical Education — Basic Grants to States

CFDA 84.367 Improving Teacher Quality State Grants

CFDA 84.389 Title I Grants to Local Education Agencies, Recovery Act

In total, 9 out of 20 final expenditure reports reviewed were submitted more than 90 days after the project ending date (final “expenditure through” date).

The following program had one or more period expenditure reports filed more than 30 days after the quarterly due date:

CFDA 84.385 Teacher Incentive Fund, Recovery Act

In total, 1 out of 6 periodic expenditure reports reviewed were submitted to the Department of Education more than 30 days after the quarterly due date.

Cause and Effect:

- The cause appears to be an inadequate number of staff dedicated to preparing reports for Federal programs passed through by ISBE.
- Turnover at in grants management contributed to reports being filed late for the quarters ended September 30 and December 31, 2010.
- Late submission of reports is grounds for ISBE to “freeze” funding for a grant contract, which delays CPS receiving funds due to be paid from the affected grant programs.

Recommendation:

- Continue to monitor staff levels to ensure that an adequate number of staff are dedicated to report preparation.
- The testing noted no reports filed after due dates beginning with the quarter ending March 31, 2011. CPS should continue to submit its reports in a timely manner.

Corrective Action Plan

As of the end of FY11, The Office of Budget and Grants Management had already hired and trained additional staff for grant reporting purposes. In addition, the claims manager will ensure that all grant reports are submitted on a timely basis. However, in the future, the claims manager will request an extension in case a report cannot be filed timely due to unforeseen circumstances.

Finding SA11-03: Time and Effort

Questioned costs: N/A

Federal Agency: US Department of Education

Federal Program Title, Pass-Through Entity (if applicable), CFDA Number, Award Number, Award Year:

Title I Grants to Local Education Agencies (Low Income); Illinois State Board of Education; CFDA number 84.010; ISBE project number 2011-4300-00-15016299025; award year July 1, 2010 through August 31, 2011

Title I Grants to Local Education Agencies (Neglected); Illinois State Board of Education; CFDA number 84.010; ISBE project number 2011-4305-00-15016299025; award year July 1, 2010 through August 31, 2011



Statutory Reporting Section

Title I Grants to Local Education Agencies, Recovery Act (Low Income); Illinois State Board of Education; CFDA number 84.389; ISBE project number 2011-4851-00-15016299025; award year August 16, 2010 through September 30, 2011

Special Education — Grants to States; Illinois State Board of Education; CFDA number 84.027; ISBE project number 2011-4620-00-15016299025; award year July 1, 2010 through August 31, 2011

Special Education — Grants to States; Illinois State Board of Education; CFDA number 84.173; ISBE project number 2011-4600-00-15016299025; award year July 6, 2010 through August 31, 2011

Special Education — Grants to States; Illinois State Board of Education; CFDA number 84.173; ISBE project number 2011-4605-00-15016299025; award year July 1, 2010 through June 30, 2011

Special Education — Grants to States, Recovery Act; Illinois State Board of Education; CFDA number 84.391; ISBE project number 2011-4857-00-15016299025; award year August 16, 2010 through September 30, 2011

Special Education — Grants to States, Recovery Act; Illinois State Board of Education; CFDA number 84.392; ISBE project number 2011-4856-00-15016299025; award year August 16, 2010 through September 30, 2011

Career and Technical Education — Basic Grants to States; Illinois State Board of Education; CFDA number 84.048; ISBE project number 2011-4745-00-15016299025; award year July 1, 2010 through August 31, 2011

Safe and Drug-Free Schools and Communities — National Programs; CFDA number 84.184; award number Q184L070255-01; award period September 1, 2007 through June 30, 2011.

Safe and Drug Free Schools and Communities State Grants; Illinois State Board of Education; CFDA number 84.186; ISBE project number 2010-4400-00-15016299025; award year July 1, 2010 through August 31, 2011

Fund for the Improvement of Education; CFDA number 84.215E; award number Q215E080384; award year July 1, 2008 through June 30, 2011

Twenty-First Century Community Learning Centers; Illinois State Board of Education; CFDA number 84.287; ISBE project number 2010-4421-01-15016299025; award year July 1, 2010 through August 31, 2011

Educational Technology State Grants; Illinois State Board of Education; CFDA number 84.318; ISBE project number 2011-4971-00-15016299025; award year July 1, 2010 through June 30, 2011

Reading First State Grants; Illinois State Board of Education; CFDA number 84.357; ISBE project number 2010-4334-07-15016299025; award year July 1, 2010 through June 30, 2011

Improving Teacher Quality State Grants; Illinois State Board of Education; CFDA number 84.367; ISBE project number 2011-4932-00-15016299025; award year September 1, 2009 through August 31, 2010

Striving Readers; CFDA number 84.371; award number S371A060097; award year March 1, 2010 through February 28, 2011

School Improvement Grants; Illinois State Board of Education; CFDA number 84.377; ISBE project numbers 2010-4339-01-15016299025 thru 2010-4339-91-15016299025; award year July 1, 2009 through August 31, 2010

Teacher Incentive Fund, Recovery Act; CFDA number 84.385; Project number S374A070047-09A; award year October 1, 2009 through September 30, 2010.



School Improvement Grants, Recovery Act; Illinois State Board of Education; CFDA number 84.388; ISBE project numbers 2011-4855-11-15016299025 thru 2011-4339-12-15016299025; award year July 1, 2010 through August 31, 2011

Education Jobs Fund; Illinois State Board of Education; CFDA number 84.410; ISBE project number 2011-4880-15016299025; award year August 10, 2010 through June 30, 2012

Criteria:

OMB Circular A-87 requires that when employees work on federal activities or cost objectives, a distribution of their salaries or wages will be supported by semi-annual certifications, personnel activity reports, or equivalent documentation. Such reports must reflect an after-the-fact distribution of the actual activity of each employee, must account for the total activity for which each employee is compensated, must be prepared at least monthly, must coincide with one or more pay periods, and must be signed by the employee or supervisory official.

Condition:

Time and effort documentation was not collected and compiled in a way that easily allowed CPS employees to retrieve the certifications to support payroll charges. In addition, certifications were not completed in a timely manner for the periods ending December 31, 2010 and June 30, 2011.

Context:

Through testing of 400 payroll transactions across all programs identified as major, we noted that CPS had difficulty locating time and effort records for selected payroll transactions. We further noted that the date of completion for approximately half of the records was not timely.

Cause and Effect:

- For December 31, 2010 certifications:
 - Preparing and sending of time and effort certifications is a highly manual process at the central office, which results in documentation potentially not being sent or not including all position information.
 - CPS requires supervisory personnel at each school to sign information, but does not adequately train employees on procedures or require information to be completed in a timely manner.
 - The process lacked controls to ensure all information that was sent was properly completed and received in the central office.
- For June 30, 2011 certifications:
 - CPS implemented a new electronic signature system to alleviate the problems as noted above, but did not implement the system in a timely manner.
 - Without adequate time and effort documentation, federal grantors cannot be assured salaries and benefits charged to their programs are accurate and valid.
 - Noncompliance with grant requirements can jeopardize future federal funding and require the District to return federal funds to the grantor.
 - For individuals where time and effort documentation was not supplied, we verified each employee worked for the program charged; therefore, we are not questioning costs.



Statutory Reporting Section

Recommendation:

Improve time and effort practices and procedures by completing the following:

- Utilize efficiencies gained in re-developing the time and effort procedures for the June 30, 2011 period to prepare and distribute time and effort certification documents within a month after each semi-annual period ends.
- Improve training for supervisors who certify time and effort documentation to ensure that they are aware of due dates for certification as well as how to properly complete the time and effort forms.
- Monitor progress of received certifications and follow up with supervisors and employees to ensure all documentation is received.

Corrective Action Plan

The Office of Budget and Grants Management (BGM) has initiated the following measures to address the above findings and recommendations:

- The necessary data mining and report preparation tools have been created to assist with the accurate and timely preparation of certification reports for all federally funded positions to ensure that appropriate certification documentation is generated for all affected units and employees.
- Assistance from an external services provider was utilized to acquire electronic signatures from employees and supervisory staff for all certification documents. Additionally, they provided appropriate administrative and tracking mechanisms and permanent electronic histories and files for all documents sent, received and signed. Modifications to the processes will be made based on any weaknesses or required enhancements noted during implementation.
- Outreach will be made to school and non-school based administrators with regard to training related to Time and Effort certifications.
- The process to secure certifications will be initiated within one month of the close of the semi-annual periods of certification.
- Follow-up will be conducted concerning incomplete certification files.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINANCIAL STATEMENT FINDINGS
YEAR ENDED JUNE 30, 2011**

- I. Finding FS10-01: Local School Council Relations Department — Inadequate Documentation on Vendor Invoices
Corrective Action Plan — See prior year report.
Current Status — No exceptions were noted in FY 2011.
- II. Finding FS10-02: Purchasing — Purchase Orders Issued After Invoices
Corrective Action Plan — See prior year report.
Current Status — This finding was reported as a significant deficiency in the prior year due to excessive purchase orders issued after invoices. CPS has focused its efforts to reduce this, however, there was still a large volume of purchase orders issued after the invoice. Therefore, this finding has been downgraded to a control deficiency in the current year. This was reported to management of CPS in a separate letter dated December 9, 2011.
- III. Finding FS10-03: Operations — Correspondence to Departments Regarding Stringing
Corrective Action Plan — See prior year report.
Current Status — This finding was reported as a significant deficiency in the prior year due to multiple incidences of stringing. CPS has focused its efforts to reduce this, however, there were still exceptions in the current year. Therefore, this finding has been downgraded to a control deficiency in the current year. This was reported to management of CPS in a separate letter dated December 9, 2011.
- IV. Finding FS10-04: Information Technology — Attendance Records Lack Proper Controls — System Enhancement Required (Recurring — 2009)
Corrective Action Plan — See prior year report.
Current Status — This finding was reported as a significant deficiency in the prior year due to the lack of controls over attendance adjustments. In the current year CPS developed systems to monitor these adjustments; however, it was not in place until the end of the year. Therefore, this finding has been downgraded to a control deficiency in the current year. This was reported to management of CPS in a separate letter dated December 9, 2011.



Statutory Reporting Section

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011**

- I. Finding SA10-01: Eligibility
Corrective Action Plan — See prior year report.
Current Status — No exceptions were noted in FY 2011.
- II. Finding SA10-02: Equipment and Real Property Management
Corrective Action Plan — See Finding SA11-01
Current Status — See Finding SA11-01
- III. Finding SA10-03: Subrecipient Monitoring
Corrective Action Plan — See prior year report.
Current Status — No exceptions were noted in FY 2011.
- IV. Finding SA10-04: Reporting
Corrective Action Plan — See Finding SA11-02
Current Status — See Finding SA11-02

